



## **Terms of Reference for the Audit and Risk Committee 2021 / 2022**

### **Remit of the Audit and Risk Committee**

The Committee will direct the Trust's programme of internal scrutiny. They will ensure that risks are being addressed appropriately through internal scrutiny and report to the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

### **Membership and Attendance**

Employees of the trust should not be audit and risk committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions. The Chief Executive in his role as Accounting Officer and the Chief Financial Officer (Business Manager) will normally attend meetings of the Committee. The quorum for this committee will be 3 Trustees.

The Chair of Trustees should not be chair of the audit and risk committee.

### **Frequency of Meetings**

The audit and risk committee should meet at least three times a year.

### **Terms of Reference**

The specific audit related duties of the Committee shall be to:

1. Review the Trusts internal and external financial statements and reports to ensure that they reflect best practice.
2. To provide assurance to the Board of Trustees that risks are being adequately identified and managed by reviewing the risks to internal financial control at the Trust.
3. Agree a programme of work annually to deliver internal scrutiny that provides coverage across the year, and over time.
4. Review the ratings and responses on the risk register to inform the programme of work, ensuring checks are modified as appropriate each year. They will also agree who will perform the work.
5. Consider reports at each meeting from those carrying out the programme of work as well as progress in addressing recommendations.

6. Discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff.
7. Ensure that the Trust's internal audit service meets, or exceeds, the standards specified in the Academies Trust Handbook.
8. Consider internal audit reports, including value-for-money reports and the arrangements for their implementation.
9. The outcome of audit work should inform the governance statement that accompanies the trust's annual accounts and, so far as is possible, provide assurance to the external auditors. The Committee will have access to the external auditor as well as those carrying out internal scrutiny, and consider their quality.
10. Consider outputs from other assurance activities by third parties including ESFA financial management and governance reviews, funding audits and investigations
11. Consider any other matters where requested to do so by the Board; and report at least once a year to the Board on the discharge of the above duties.
12. The Committee's oversight will extend to the financial and non-financial controls and risks at each of the Trust's schools.
13. Oversight must ensure information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims (for both revenue and capital grants) completed by the trust and its schools is accurate and in compliance with funding criteria.
14. Consider the work of the Trust committees against key performance indicators as established in conjunction with the Chief Executive.