

EXCEED ACADEMIES TRUST – BOARD OF TRUSTEES

TERMS OF REFERENCE FOR THE AUDIT AND RISK COMMITTEE

Overview

The Audit and Risk Committee's remit is to advise the Board and Accounting Officer (the CEO) on the adequacy and effectiveness of the Trust's governance, risk management, internal control and assurance systems and frameworks. The Committee also advises on the appointment, reappointment, dismissal and remuneration of the external auditor and the internal auditor or other internal scrutiny provider, and reviews their plans, reports and findings. The Committee ensures that the Trust complies with the requirements of the Academies Financial Handbook, the Funding Agreement, the Academy Trust Handbook and the Academy Trust Governance Guide, and any other relevant legislation or guidance.

Authority

The Audit and Risk Committee is authorised by the Trust Board to:

- Carry out any activity authorised by these terms of reference or specifically delegated to it by the Board.
- Investigate any activity within its terms of reference or specifically delegated to it by the Board.
- Request any information it requires from any employee, external audit, internal audit, or other assurance provider.
- Obtain any outside legal or independent professional advice it considers necessary, normally in consultation with the Accounting Officer and/or the Trust Board.

Membership and Quorum

The Members of the Committee and its Chair shall be appointed by the Board of Trustees. Membership of the Committee will be reviewed annually alongside these terms of reference. Members shall hold office from either the date of their appointment until their resignation, or their omission from membership of the Committee on subsequent consideration by the Board of Trustees – whichever occurs first.

- There shall be no fewer than three committee members with the majority being serving Trustees. Up to two external co-opted members with relevant expertise may also be appointed. 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.
- Any Committee Member may be appointed as Chair, with the exception of the Chair of the Board of Trustees who shall not be Chair of the Committee.
- At least one member of the committee should have recent or relevant accountancy, or audit assurance, experience.
- Only full members of the committee who have been approved by the board of trustees have the right to vote on any matters.

- Any Trustee may attend a meeting of the Audit and Risk Committee, including those who are not members of the Committee.
- Meetings of the Audit and Risk Committee shall be quorate if two members of the committee are present. A committee member dialled in via conference/video call will be classed as in attendance and shall count towards the quorum.

Duties

The duties of the Audit and Risk Committee shall be to:

- Assess the effectiveness and resources of the external auditor to provide a basis for decisions by the Trust's Members about the auditor's reappointment or dismissal or retendering
- Report the Committee's conclusions annually to the Board of Trustees and Members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration
- Advise on the appointment, reappointment, dismissal and remuneration of the internal auditor or other internal scrutiny provider, and ensure that they are objective and independent of the Trust
- Review the external auditor's and the internal auditor's or other internal scrutiny provider's plans, reports and findings, and monitor the implementation of their recommendations and actions taken by the Trust's leaders in response to those findings
- Review the annual report and financial statements and advise the Board on their approval, ensuring that they comply with the requirements of the Academies Financial Handbook, the Funding Agreement, the Companies Act 2006 and the Charities SORP
- Review the Trust's systems and methods of control, both financial and otherwise, including risk analysis and risk management, and ensure that they are effective and fit for purpose
- Review the Trust's policies and procedures for ensuring compliance with relevant laws, regulations and guidance, and advise the Board on any changes or improvements needed
- Review the Trust's arrangements for whistleblowing, fraud prevention and detection, and anti-bribery and corruption, and ensure that they are adequate and operate effectively
- Review the Trust's arrangements for securing value for money and ensuring regularity and propriety in the use of public funds
- Encourage a culture within the Trust whereby each individual feels that he or she has a part to play in guarding the probity of the Trust, and is able to take any concerns or worries to an appropriate member of the management team or in exceptional circumstances directly to the Board of Trustees
- review and approve any policies presented, on behalf of the Trustees. Any policies approved by the Committee shall be circulated to all members of the Board of Trustees

Meetings of the Audit and Risk Committee

The Committee will meet as often as is necessary to fulfil its responsibilities, usually at least three times per year.

All meetings shall be convened by the Governance Professional, who shall send to all of the members of the Committee written notice of the meeting and a copy of the agenda at least seven days in advance of the meeting.

The convening of a meeting and the proceedings conducted shall not be invalidated by reason of any individual not having received written notice of the meeting or a copy of the agenda.

The external auditor and the internal auditor or other internal scrutiny provider shall be invited to attend meetings where business related to them is being discussed. They shall have the right to request a meeting with the Committee if they consider it necessary.

The Governance Professional shall attend to take a record of the meeting, unless otherwise instructed by the Committee. Where the Governance Professional fails to attend a meeting, committee members can appoint any one of their number or any other person to act as Clerk for the purposes of that meeting.

Every matter to be decided upon will be determined by a majority vote – where there is an equal division of votes, the Chair will have the deciding vote.

Members will withdraw from the meeting if there is an identified or potential conflict of interest, or there is a motion to question their ability to remain impartial.

The Committee meetings will not be open to the public but minutes shall be made available. Information relating to a named person or any other matter that the committee considers confidential does not have to be made available for inspection.

Minutes and Publication

At every meeting of the Audit and Risk Committee the minutes of the last meeting shall be taken as an agenda item and, if agreed to be accurate, shall be approved as a true record.

The minutes of meetings of the Committee will be circulated to all members of the Board of Trustees.

The Governance Professional shall ensure that a copy of the agenda for every meeting of the Audit and Risk Committee and the approved minutes of every such meeting are, as soon as is reasonably practicable, made available for publication.