



Terms of Reference 2019-2020 Audit and Risk Committee

Mission

The Audit and Risk Committee's mission shall be to assist the Board of Trustees to fulfil its corporate governance and oversight responsibilities by providing advice that is independent of management on the adequacy and effectiveness of the Trust's audit arrangements and systems of internal control. It shall review, and challenge where necessary, the actions and judgement of management in relation to the Trust's financial statements and shall ensure compliance with charity and company law and other legal requirements as necessary.

Delegated Authority

The Audit and Risk Committee shall have delegated authority to:

- a) investigate any activity within its Terms of Reference;
- b) seek any information it reasonably requires for the proper performance of its role;
- c) in compliance with all procurement and value for money requirements, obtain such external legal or other independent professional advice as is reasonably necessary for the performance of their role, the cost of which shall be borne by the Trust; and
- d) require any member of the Trust's staff and the internal and external auditors, once appointed, to cooperate with its reasonable requests for information and assistance.

Scope of Responsibilities

1. To advise the Board of Trustees on the adequacy and effectiveness of the Trust's systems of internal control and its risk management and governance processes and to satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness (value for money).
2. To review the adequacy and robustness of the Trust's risk registers, processes and procedures for the identification, assessment, evaluation, management and reporting of risks.
3. To advise the Board of Trustees in relation to the appointment of the internal and external audit service, the terms of such appointments, the scope of work to be undertaken by them and the associated fee; to monitor their performance in accordance with agreed criteria; and to advise the Board of Trustees of all reappointments, resignations and dismissals.
4. To advise the Board of Trustees of any non-audit services undertaken for the Trust by the internal auditors or the external auditors.
5. To promote co-ordination between the internal and external auditors.
6. To discuss with the external auditors any problems or concerns arising from the audits, including a review of the management letter incorporating management's responses, as well as any other matters the external auditors wish to raise.
7. To agree the scope for internal audit each year and to keep under review the Trust's annual internal audit plan and to discuss with the internal auditors any significant findings of internal audit investigations and management responses.
8. To consider and report to the Board of Trustees on internal audit assignment reports, annual reports and control issues included in the management letters of the external auditors, and management's responses to those.

9. To monitor, within an agreed timescale, the implementation of audit-based recommendations from whatever source.
10. To report periodically to the Board of Trustees on the effectiveness of the Trust's risk management, internal controls and governance processes, and any significant matters arising from the work of the internal and external auditors; and to assist the Board as required in relation to the production of the Trust's annual report.
11. To ensure that all allegations of fraud, including academic fraud, and any significant losses or other irregularities are properly investigated and, where appropriate, that the internal auditors, external auditors and, where required, the Education Funding Agency, are informed.
12. To ensure that the conditions of the Trust's Funding Agreement's, including compliance with the Academies Financial Handbook are met.
13. To receive and recommend the annual financial statements to the Trust finance committee and Board of Trustees for approval.
14. To consider and advise the Board of Trustees on any relevant audit reports and audit guidance.
15. To hold one meeting a year with no management present.
16. Invite people to meetings as appropriate who may be in charge of risk and/or will report on agenda specific items.

There should be reference to the Audit and Risk Committee having a role in monitoring the performance of the Internal and External audit function and also overseeing their appointment.

Frequency of meetings

Meetings shall normally be held four times each financial year. The external auditors or head of internal audit may request a meeting if they consider it necessary.

Constitution and Membership

The Audit and Risk Committee will be appointed by the Board of Trustees and must consist of members with no executive responsibility for the management of the academies.

There shall be three members the majority being Trustees of Venn Academy Trust; a quorum shall be at least two members. The chair of the Board of Trustees should not be a member of the committee.

At least one member should have recent relevant experience in finance, accounting or auditing. The committee may, if it considers it necessary or desirable, co-opt members with particular expertise. Members of the committee should not also be members of the finance committee (or equivalent).

Membership

X3 Trustees

Any Trustee may attend the meetings (excluding the chair of the finance committee) and represent part of the quorum if the clerk is notified of attendance in advance of the meeting.

Quorum: 2

Attendance at meetings

The Finance Director, Accounting Officer, the head of internal audit and a representative of the external auditors shall normally attend meetings where business relevant to them is to be discussed.