



## Bishop Bewick Catholic Education Trust

<b>Policy Title:</b>	<b>Audit &amp; Risk Committee Terms of Reference</b>		
<b>Date of Approval:</b>	<b>June 2021</b>		
<b>Approved by:</b>	<b>Trust Board</b>		
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<b>Related policy/policies</b>	<b>Scheme of Delegation</b>		
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1.1	Oct 2022	SO	Amended, minor corrections made.



## Audit and Risk Committee Terms of Reference

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## 1. Responsibilities

The Audit & Risk Committee operates in accordance with its Terms of Reference under the Scheme of Delegation.

The responsibilities of the Audit Committee include:

- Advise and report to the Directors in relation to any organisational risks which might impede the development and implementation of a long-term strategy for the success of the Trust.
- Support the Directors in the formulation of audit and risk management policies for the Trust and the Schools for achieving the aims and objectives set out in the Trust's Development Plan or long-term strategic vision.
- Advise the Directors on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money)
- Review any financial and risk report submitted to the Schools and advising the Directors on any issues arising from it as well as making recommendations for future reports to sustain the integrity of the financial and risk management systems
- Advise the Directors on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit)
- Agree the work programme of internal audit including the checking of financial controls, systems, transactions and risks
- Consider the reports of the auditors and, when appropriate, advise the Directors and the Schools of material control issues and monitor the implementation of agreed audit recommendations
- Advise on policies for the securing of the funds and assets of the Trust including by the prevention of loss through fraud and irregularity
- Ensure that all allegations of fraud and irregularity are appropriately investigated, and control weaknesses addressed, working with the Directors and the Headteachers of the Schools, as appropriate
- Recommend the annual financial statements to the Directors for approval.



## 2. Authority

- The Audit and Risk Committee is a Committee of the Academy Trust Board and is authorised to investigate any activity within its terms of reference or specifically delegated to it by the Trust Board.
- The Audit and Risk Committee is authorised to:
  - Request any information it requires from any employee, external audit, internal audit, or other assurance provider.
  - Obtain outside legal or independent professional advice it considers necessary, normally in consultation with the Accounting Officer and/or the Trust Board.

## 3. Composition

- The membership of the committee will comprise a minimum of 3 Trustees.
- 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 Chair of Trustees should not be chair of the Audit and Risk Committee.
- Where the Audit and Risk Committee is combined with another committee, employees should not participate as members when audit matters are discussed.
- Until otherwise determined by the Board of Trustees, a quorum shall consist of 2 members of the committee.
- At least one member of the Audit and Risk Committee should have recent or relevant accountancy, or audit assurance, experience.
- Any Trustee may attend a meeting of the Audit and Risk Committee, including those who are not members of the Audit and Risk Committee.

## 4. Reporting

- The Audit and Risk Committee will:
  - Report back to the Trust Board regularly every term.
  - Provide an annual summary report provided by the internal scrutineer / auditor and areas reviewed by internal scrutiny / audit covering key findings, recommendations, and conclusions



## 5. Coverage

The Audit and Risk Committee will:

- Advise the board on the effectiveness and resources of the external/internal auditors or scrutineers to provide a basis for their reappointment, dismissal, retendering, or remuneration. Considerations may include:
  - The auditor's/scrutineer's sector expertise
  - Their understanding of the trust and its activities
  - Whether the audit process allows issues to be raised on a timely basis at the appropriate level
  - The quality of auditor/scrutineer comments and recommendations in relation to key areas
  - Where relevant the personal authority, knowledge and integrity of audit partners and their staff to interact effectively with, and robustly challenge, the trust's managers
  - The auditor's/scrutineer's use of technology
  - Ensure there is co-ordination between internal audit/scrutiny and external audit and any other review bodies that are relevant
  - Consider the reports of the auditors/scrutineers and, when appropriate, advise the Trust Board of material control issues.
  - 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
  - Provide minutes of all Audit and Risk Committee meetings for review at board meetings