HADLOW RURAL COMMUNITY SCHOOL

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TERMS OF REFERENCE

AUDIT COMMITTEE
2023-24

Membership

Ian Chappell
Harvey Guntrip
Philip Morris
Headteacher – Paul Boxall
CFO & Business Manager – Stacey Bell

Responsibilities

- To maintain an oversight of the Academy Trust's financial, governance, risk management and internal control systems.
- To report its findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the Academy Trust's annual reporting requirements.
- The Audit Committee has no executive powers or operational responsibilities/duties.

Authority

- The Audit 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 Board.
- The Audit 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.

Composition

- The membership of the Committee will comprise a minimum of 3 trustees.
- The chair of the board of the academy trust and the chair of the finance committee shall not serve as chair of the audit committee
- 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 committee should have recent or relevant accountancy, or audit assurance, experience.
- Staff employed by the trust may be invited to attend the audit committee to provide information and participate in discussions but should not be members of the committee, will be separate to the finance committee and not have overlapping membership.
- Any trustee may attend a meeting of the audit committee, including those who are not members of the audit committee.
- The chief executive officer/accounting officer and chief financial officer should also attend meetings.

Reporting

The Audit Committee will:

- report back to the Trust Board regularly every term.
- provide an annual summary report provided by the internal auditor on areas reviewed by internal audit covering key findings, recommendations and conclusions

Terms of Reference

The Audit Committee will:

- oversee the trust's risk register and, on the advice of the CEO/accounting officer and CFO, conduct a regular review of risks
- take delegated responsibility on behalf of the board of trustees for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with the overall requirements for internal scrutiny, as specified in the Academies Financial Handbook.
- agree an annual programme of internal scrutiny with the trust's internal auditors for checking financial systems, controls, transactions and risks.
- ensure that the programme of internal scrutiny delivers objective and independent assurance.
- provide assurance to the Trust Board that risks are being adequately identified and managed
- advise the Trustees on the adequacy and effectiveness of the Academy Trust's systems of internal control and governance processes, securing economy, efficiency and effectiveness (value for money)
- consider the appropriateness of executive action following internal audit/internal scrutiny reviews and to advise senior management on any additional or alternative steps to be taken
- advise the Trust Board on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit)
- monitor the effectiveness of auditors
- review the findings of the external auditors and agree any action plan arising from it
- ensure there is co-ordination between internal audit and external audit and any other review bodies that are relevant
- ensure that additional services undertaken by the auditors is compatible with the audit independence and objectivity
- 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 Committee meetings for review at board meetings

Quorum: 2 Governors

Agreed by the Governing Body on: 26th September 2023

Review Date: September 2024 (Annually)