



## **TERMS OF REFERENCE**

### **AUDIT AND RISK COMMITTEE (ARC)**

#### **CONSTITUTION**

The Trustees of Endeavour Multi Academy Trust hereby resolve to establish a sub-committee of the Trust Board to be known as the Audit and Risk Committee.

#### **MEMBERSHIP AND ATTENDANCE**

The Audit and Risk Committee shall consist of a minimum of three core members and shall be appointed from members of the Trust Board. The Audit and Risk Committee members should not be members of the Academy Finance Committee or its equivalent, a staff member or the Chair of the Board of Trustees. The committee shall choose out of its own numbers one member to be the Chair of the Committee. This member must not be the Chair of the Trustee Board or Chair of the Finance Committee.

Additional Members may be co-opted to enhance the skills and expertise on the Committee but with a non-voting mandate.

Members of the Trust Board who are not members of the Audit and Risk Committee may attend but only at the discretion of the Chair of the Audit and Risk Committee. The Clerk/Secretary will circulate minutes of meetings of the Audit and Risk Committee to all members of the Board.

In order for the Audit and Risk Committee to be quorate two of the three core members should be in attendance. However, ideally all three members should be in attendance.

The CEO as the Accounting Officer and the Chief Finance Officer will normally attend meetings of the committee along with the Executive Development Officer.

#### **FREQUENCY OF MEETINGS**

The Trust Board shall determine how often the committee shall meet but it should not be less than twice per year. It is recommended that meetings take place in November, March and June/July and where possible be aligned to the dates of the Trust Board meetings. The meeting in November is designed to scrutinise the final

accounts but may need to be flexible in response to changing deadlines. The Chair of the Audit and Risk Committee may request approval from the Chair of the Trust to have authorisation to scrutinise the accounts in the absence of other members. The external auditor may request a meeting of the committee if he or she considers one necessary.

The Chair of the Committee has the right to call an additional meeting during the year should he/she deem necessary.

## **MINUTES**

The Clerk/Secretary will circulate a list of agreed actions within 48 hours of the meeting – circulation as appropriate.

The Clerk/Secretary to the Trust will circulate minutes (with any necessary actions) to the chairs of all Trust Committees for appropriate distribution to their committee members within a fortnight of the meeting being held.

## **AUTHORITY**

The Audit and Risk Committee is an advisory body with no executive powers. However, it is authorised by the Trust Board to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the committee in the conduct of its inquiries.

The Audit and Risk Committee is authorised to obtain independent professional advice if it considers this necessary.

## **TERMS OF REFERENCE**

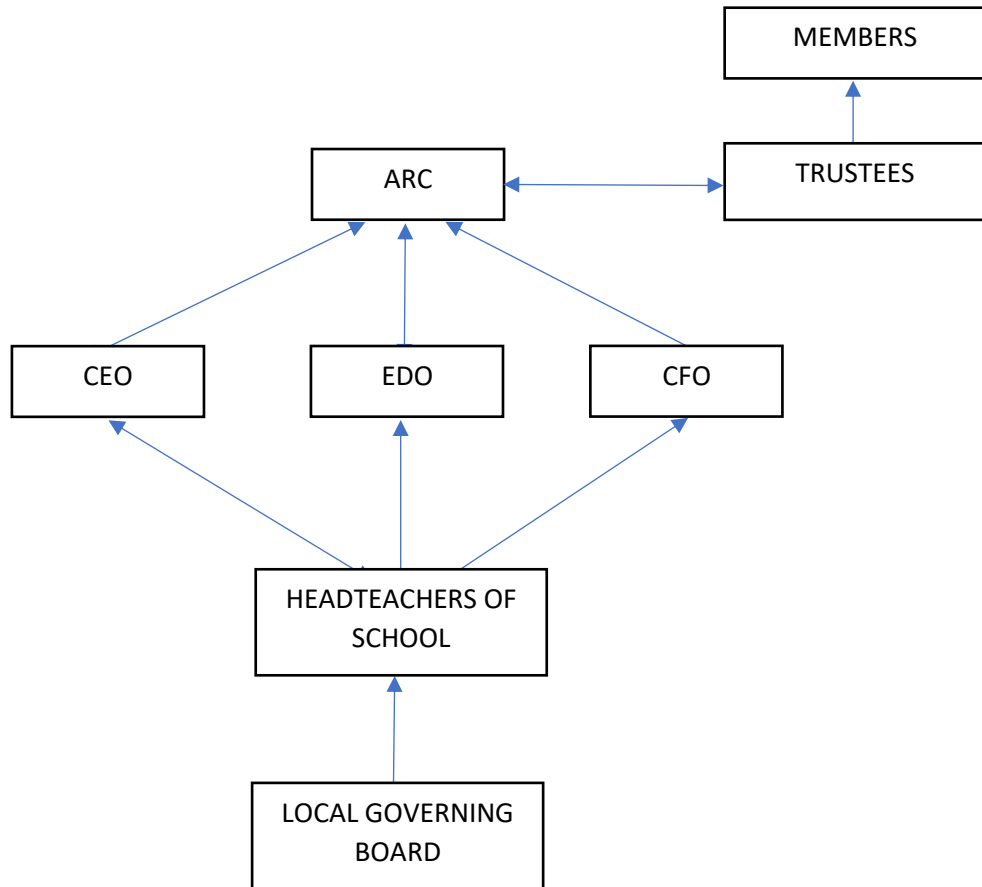
### **THE ARC WILL HAVE RESPONSIBILITY FOR MONITORING OF THE ENDEAVOUR MULTI ACADEMY RISK REGISTER**

The specific duties of the committee shall be to:

- To advise the Trust Board on the adequacy and effectiveness of the Academy's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money). These carried out with the ethical principles adopted by the academy.
- To agree the extent of the Internal Audit Plan with the specific reference to the seeking of assurance with regard to the level of development and improvement since the previous visit.
- To advise the Trust Board on the appointment, re-appointment, dismissal and remuneration of the External Auditor and the Internal Audit Services (IAS).
- Review the Trusts internal and external financial statements and reports to ensure that they reflect best practice.

- 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.
- Receive all relevant reports, including reports on the Trust Board's accounts, achievement of value for money and managements response to any external audit management letters
- To advise the Trust Board on Internal Audit assignment reports and to monitor, within an agreed time scale, the implementations of the agreed recommendations arising from those reports.
- Recommend the annual financial statements to the Trust Board for approval.
- Review the committee's membership and effectiveness on an annual basis to ensure it has the relevant skills and experience.
- To monitor the proper management of the Trust's Risk Assessment process including the quality of education, health and safety and the DBS/Safeguarding process.
- To advise the Trust Board on levels of financial delegation.
- To advise the Trust Board on LGB delegation.
- Consider and advise the Trust Board on the audit strategy and annual and long-term audit programme.
- Review the operation of the Trust's code of practice for members of the Trust Board and Local Governing Boards and the code of conduct for staff.
- Review the operation of the Trust's Whistle Blowing Policy and policy on Gifts and Hospitality offered and received.
- To ensure that all allegations of fraud and irregularity are investigated appropriately.
- Consider any other matters where requested to do so by the Trust Board and report at least once a year to the Trust Board on the discharge of the above duties.

The below diagram explains the direction of communication within the MAT structure. It is important that the ARC receives communication about any area of risk to the organisation. The ARC exists to ensure that any risks are addressed/mitigated. The Executive Development Officer (EDO) will bring school based reports identifying any risks to the ARC but will also ensure the Local Governing Board is kept informed. The CFO will ensure that all financial reports are available to the ARC in good time.



**KEY**

CEO - Chief Executive Officer

CFO – Chief Finance Officer

EDO – Executive Development Officer

ARC – Audit and Risk Committee