

Audit, Risk and Compliance Committee

Terms of Reference

1. In this document

1.1 Glossary

Term	Definition
Academy	a school within the trust
Accounting Officer	the chief executive appointed by the trustees to be responsible for the financial and administrative compliance of the trust
Articles	Articles of Association of Rivers C of E Academy Trust
Board Member	a member of the Finance and Operations Committee
Chief Executive Officer (CEO)	the person appointed by the trustees as an employee to oversee and coordinate all trust activities
Chief Financial Officer (CFO)	the person appointed by the trustees as an employee, under the overall direction of the CEO, to oversee the financial aspects of the trust (Director of Finance)
Company Secretary	the company secretary of the trust or any other person appointed to perform the duties of secretary to the trust
Members	responsible for ensuring the trust achieves its charitable objectives
Personal financial interest	any interest in the employment or remuneration of, or the provision of any other benefit to, a board member as further detailed within clauses 5.5 to 5.9 of the memorandum
Responsible Officer	an independent advisor who works with schools/trusts to ensure that their finances and procedures are in working order and that they are following the Academy Trust Handbook
The Trust	Rivers C of E Academy Trust, a company limited by guarantee having registered number [09199371]
Trustees	those persons appointed as directors and trustees of the trust. The trustees deliver and are responsible for the core governance functions and ensure trust business is conducted in compliance with company and charity law

2. Authority

The Audit, Risk and Compliance Committee is a committee of the board of trustees and is authorised to investigate any activity within its terms of reference or specifically delegated to it by the board. It is authorised to request any information it requires from any employee, external audit, internal audit or other assurance provider.

3. Role

The role of the Audit, Risk and Compliance Committee is to maintain an oversight of the trust's legislative compliance, internal control, risk management and value for money framework. The committee will report its findings annually to the board of trustees and the accounting officer as a critical element of the academy trust's annual reporting requirements. The Audit, Risk and Compliance Committee will support financial management of the trust by promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement. The Audit, Risk and Compliance Committee has no executive powers or operational responsibilities/duties.

4. Duties

The duties of the Audit, Risk and Compliance Committee are as follows:

4.1 To advise the board of trustees and accounting officer on the adequacy and effectiveness of the trust's internal control, risk management and value for money systems and frameworks.

4.2 To review policy framework and scheme of delegation, at least annually, to ensure compliance with legislation, best practice guidance and to reflect changes to the organisation structure.

4.3 To consider due diligence findings relating to new academies joining the trust, including sponsored schools. Where necessary, to extend the scope of the review. To advise the board of trustees and accounting officer.

4.4 To advise the board of trustees on the appointment, re-appointment, dismissal and remuneration of the external and regularity auditor.

4.5 To advise the board of trustees on the need for, and then, where appropriate, the appointment, re-appointment, dismissal and remuneration of an internal auditor or other assurance provider to enable the board to sign the corporate governance statement in the annual accounts.

4.6 To advise the board of trustees on an appropriate programme of work to be delivered by independent assurance providers (external auditors and responsible officer). This programme of work is to be derived from the Audit, Risk and Compliance Committee's regard of the key risks faced by the academy trust, the assurance framework in place and its duty to report to the board of trustees as detailed in 3.

4.7 To review the external auditor's annual planning document and approve the planned audit approach.

4.8 To receive reports (annual reports, management letters, etc.) from the external auditor and other bodies, for example, the Education and Skills Funding Agency and the National Audit Office, and consider any issues raised, the associated management response and action plans. Where appropriate, reports should be referred to the board or other committee for information and action.

4.9 To monitor on a regular basis outstanding audit recommendations from whatever source and ensure any delays to implementation dates are reasonable.

4.10 To review the academy trust's fraud response plan and ensure that all allegations of fraud or irregularity are managed and investigated appropriately.

4.11 To consider any additional services delivered by the external auditor or other assurance provider and ensure appropriate independence is maintained.

4.12 To ensure appropriate cooperation and coordination of the work of the external auditor and responsible officer.

4.13 To produce an annual report of the committee's conclusions to advise the board of trustees, including recommendations of the reappointment/dismissal/retendering of the external and regularity auditor and their remuneration.

5. Administration

5.1 The Audit, Risk and Compliance Committee will meet at least once per term.

5.2 The Audit Risk and Compliance Committee will consist of at least three members of the board of trustees. Additionally, up to two external co-opted members may also be appointed.

5.3 The chair of the Audit, Risk and Compliance Committee shall be appointed by the board of trustees. The chair of the Audit, Risk and Compliance Committee cannot hold the position of the chair of the board of trustees.

5.4 The chair of the Audit, Risk and Compliance Committee cannot hold the position of the chair of the Finance and Operations Committee.

5.5 If the chair is absent from any meeting of the Audit, Risk and Compliance Committee, those board members present shall appoint one of their number to chair the meeting.

5.6 The Audit Risk and Compliance Committee will be quorate if two members are present and 50% of members are academy trust board members.

5.7 The trust's chief financial officer (CFO) and other members of the academy trust staff maybe invited to attend, but will have no voting rights.

5.8 Administrative support will be provided by the CFO.

5.9 Agendas will be agreed in advance by the chair of the Audit, Risk and Compliance Committee (based on, but not limited to, a pre-agreed annual schedule of activity) and papers will be circulated to members and attendees at least 5 working days in advance of the meeting.

5.10 Minutes of meetings will be taken and, once approved in draft by the chair of the Audit and Finance Committee, will be submitted to the next scheduled meeting of the board of trustees.

5.11 The Audit, Risk and Compliance Committee will review these terms of reference and self-assess its performance against these terms of reference on an annual basis.