



LEIGH ACADEMIES TRUST

AUDIT COMMITTEE

TERMS OF REFERENCE

1. Authority

The Audit Committee is a Committee of the Board 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.

In exceptional circumstances, the Audit Committee is authorised to obtain outside legal or independent professional advice it considers necessary, normally in consultation with the Accounting Officer and/or Chair of the Trust Board. However, the Audit Committee may not incur expenditure in excess of £10,000 in doing so without the prior approval of the Trust Board. This is in addition to the costs of routine internal assurance work.

2. Role

The role of the Audit Committee is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Trust Board and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

The Audit Committee has no executive powers or operational responsibilities/duties.

3. Duties

The duties of the Audit Committee are to:

3.1 Advise the Trust Board and Accounting Officer on the adequacy and effectiveness of the Trust's governance, risk management, internal control and vfm systems and frameworks. An annual report will be produced by the Audit Committee in this regard.

3.2 Advise the Trust Board on the appointment, re-appointment, dismissal and remuneration of the external and regularity auditor.

3.3 Advise the Trust Board 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.

3.4 Advise the Trust Board on an appropriate programme of work to be delivered by independent assurance providers (external auditors and responsible officer). This programme of work to be derived from the Audit Committee's regard of the key risks faced by the Trust, the assurance framework in place and its duty to report to the Trust Board as detailed in 3.1.

3.5 Review the external auditor's annual planning document and approve the planned audit approach.

3.6 Receive reports (annual reports, management letters etc) from the external auditor and other bodies, for example the ESFA and NAO, and consider any issues raised, the associated management response and action plans. Where deemed appropriate, reports should be referred to the Board or other committee for information and action.

3.8 Regularly monitor outstanding audit recommendations from whatever source and ensure any delays to implementation dates are reasonable.

3.9 Review the draft annual report and accounts and make recommendations to the Trust Board on their approval.

3.10 At each meeting, review the Trust risk register and receive an update on Health and Safety matters.

3.11 Review the Trust's fraud response plan and ensure that all allegations of fraud or irregularity are managed and investigated appropriately.

3.12 Consider any additional services delivered by the external auditor or other assurance provider and ensure appropriate independence is maintained.

3.13 Ensure appropriate cooperation and coordination of the work of the external auditor and responsible officer.

3.14 Meet with the external auditor and responsible officer, without management present, at least annually.

4. Administration

4.1 The Audit Committee will meet at least three times a year.

4.2 The Audit Committee will consist of up to four directors of the Trust Board and up to two Trust Members. Additionally, up to three external co-opted governors may also be appointed. The Chair of the Trust Board cannot be a member of the Audit Committee.

4.4 The Audit Committee will be quorate if two directors are present.

4.5 The Accounting Officer, Finance Director and other members of the Trust staff may be invited to attend, but will have no voting rights.

4.6 Administrative support will be provided by the Clerk to the Trust Board.

4.7 Agendas will be agreed in advance by the Chair of the Audit 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 7 days in advance of the meeting.

4.8 Minutes of meetings will be taken and once approved in draft by the Chair of the Audit Committee, be submitted to the next scheduled meeting of the Trust Board.

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