

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE 2017/2018

Composition of Membership of Committee:

The committee shall be made up of three governors from the Governing Board who are not members of the Finance Committee.

Composition Associate Membership:

Accounting Officer
Chair of Risk Management Action Group
Company Secretary
Responsible Officer
Finance Manager

Current Membership:

Governor	Mr I MacQueen (Chair)
Governor	Mr K Johnson (Vice Chair)
Governor	Mrs M Skinner
Governor / Accounting Officer	Mr A Davis

Current Associate Membership:

Responsible Officer	Internal Auditors, Devon Audit Partnership
Chair of Risk Management Action Group	Mr G Allen
Company Secretary / Director of Resources	Mrs K Dearsly
Finance Manager	Mrs S Attwood

Attendance

The committee may invite to particular meetings, individuals responsible for financial management within the College.

PA to Committee: Michaela Savage

Meeting dates: 10.10.17
2017/2018 13.03.18
05.06.18

Quorum: 2

Date agreed: 12 September 2017

Date of review: September 2018

**Committee Chair's
Signature**

Terms of Reference	Review Cycle	
This is an advisory committee with no executive powers		
a) To undertake annual review of the Finance Policy and Scheme of Delegation.	R	Aut 1
b) Review the operation of the Board's code of practice for board members and code of conduct for staff.	R	Aut 1
c) Review the Board's internal and external financial statements and reports to ensure that they reflect best practice.	R	Spr 1
d) Consider all relevant reports by the appointed auditors, other advisory bodies including reports on the Board's accounts, achievement of value for money and the response to any management letters.	R	Spr 1
e) Discuss with the auditors the nature and scope of each forthcoming audit and to ensure that the auditors has the fullest co-operation of staff.	R	Sum 1
f) Give a full review each September to the Governing Board on the discharge of the above duties with an interim report to the Governing Board each April.	R	Sum 1
g) Consider and advise the board on the Board's annual and long-term audit programme.	R	Sum 1
h) Review the effectiveness of the Board's internal control system to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner.	R	Aut 1 Spr 1 Sum 1
i) Ensure that the Board's audit service meets, or exceeds, the standards specified in the Public Sector Internal Audit Standard, complies in all other respects with these guidelines and meets agreed levels of service.	R	Aut 1 Spr 1 Sum 1
j) Consider any other matters where requested to do so by the board.	R	Aut 1 Spr 1 Sum 1
k) Investigate any aspect of any financial concerns of mal practice advised via the whistle blowing policy.	R	Aut 1 Spr 1 Sum 1
l) To receive reports from the Risk Management Action Group.	R	Aut 1 Spr 1 Sum 1

In the Academies Financial Handbook July 2017

The trust must have in place a process for checking its financial systems, controls, transactions and risks.

2.4.1 Audit committees

2.4.2 Academy trusts **must** establish a committee, appointed by the board of trustees, to provide assurance over the suitability of, and compliance with, its financial systems and operational controls. Taking into account the differing risks and complexity of their operations:

- all trusts with an annual income over £50 million **must** have a dedicated audit committee
- all other trusts have flexibility to establish either a dedicated audit committee, or to include the functions of an audit committee within another committee

2.4.3 Audit committee functions should be established in such a way as to achieve internal scrutiny which delivers objective and independent assurance, which means that:

- staff employed by the trust should not be members of an audit committee, but may attend to provide information and participate in discussions
- where the trust operates a combined finance and audit committee, staff may be members but should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions

The accounting officer and other relevant senior staff should routinely attend the committee in the capacity set out directly above.

2.4.4 The committee's work **must** focus on providing assurances to the board of trustees that all risks are being adequately identified and managed with particular regard to:

- reviewing the risks to internal financial control at the trust
- agreeing a programme of work to address, and provide assurance on, those risks

2.4.5 In multi-academy trusts the audit committee's oversight **must** extend to the financial controls and risks at constituent academies.

2.4.6 Oversight **must** ensure that information submitted to DfE and EFA that affects funding, including pupil number returns and funding claims completed by the trust and (in the case of a multi-academy trust) by constituent academies, is accurate and in compliance with funding criteria.

2.4.7 The outcome of the committee's work should inform the governance statement that accompanies the trust's annual accounts and, so far as is possible, provide assurance to external auditors.