



Maiden Erlegh Trust (the Trust)
Audit and Risk Committee
Terms of Reference

1. Constitution

- 1.1 The Trustees of Maiden Erlegh Trust (the Trust Board) hereby resolves to establish a committee of the Trust Board to be known as the Audit and Risk Committee (the Committee).

2. Membership

- 2.1 The Committee shall have a minimum of four members and a maximum of seven members. In adherence to Article 101 of the Trusts Articles of Association, a majority of Committee members must be Trustees.

- 2.2 The membership of the committee for the 12 months from September 2023 are:

2.2.1 1 x Trustee as Chair (not Chair of the Trust)

2.2.1.1 John Hobson

2.2.2 2 x Trustees as Committee Members

2.2.2.1 Nick Jones

2.2.2.2 Bob Kenwick

2.2.3 Up to 2 Hub Representatives

2.2.3.1 Phil Simmons

2.2.3.2 Ruth Evans

- 2.3 The Chief Executive Officer, in their capacity as Accounting Officer, **must** attend the meeting of the committee but shall not be entitled to vote.
- 2.4 The Director of Finance, Head of Trust Operations and Head of School Operations will ordinarily be invited to attend to provide information and participate in discussions.
- 2.5 The Chair of the Trust Board cannot also be Chair of the Audit and Risk Committee.
- 2.6 The Company Secretary shall act as the Clerk to the Committee.
- 2.7 The Committee may invite attendance at meetings from other persons who are not Trustees or Committee members to assist or advise on a particular matter or range of issues. Such persons may speak with the permission of the Chair but shall not be entitled to vote.

3. Remit and responsibilities of the Committee

- 3.1 The Committee shall be responsible for the matters set out in the Schedule and the Scheme of Delegation. Where conflicts arise, the Scheme of Delegation shall take precedence.

4. Proceedings at Committee meetings

- 4.1 The Committee shall meet as often as is necessary to fulfil its responsibilities but shall meet at least three times a year.

- 4.2 Any two Committee members can request that the Chair convene a meeting by giving no less than 14 days prior notice.
- 4.3 The quorum for the transaction of the business of the Committee shall be a majority of the Committee members and no vote on any matter shall be taken at a meeting of the Committee unless the majority of members of the Committee present are Trustees.
- 4.4 Every matter to be decided at a meeting of the Committee must be determined by a majority of the votes of the eligible members present and voting on the matter.
- 4.5 Each member present in person shall be entitled to one vote.
- 4.6 Where there is an equal division of votes the Chair shall have a casting vote.
- 4.7 A register of attendance shall be kept for each Committee meeting and published annually in compliance with the requirements of the Academies Financial Handbook.

5. Authority

- 5.1 The Committee is authorised by the Trust Board to:
 - 5.1.1 Carry on any activity authorised by these terms of reference; and
 - 5.1.2 seek any appropriate information that it requires from any officer of the Trust and all officers shall be directed to co-operate with any request made.

6. Reporting Procedures

- 6.1 Within 14 days of each meeting the Committee will:
 - 6.1.1 Produce and agree minutes of its meetings;
 - 6.1.2 provide a termly summary report identifying (i) decisions made, (ii) recommendations to the Trust Board, (iii) any items for the information of the Trust Board, (iv) items for further discussion by the Trust Board and (v) items of be communicated to the Local Advisory Boards (together called the "Committee Reports").
 - 6.1.3 provide an annual summary report provided by the internal scrutineer / auditor and areas reviewed by internal scrutiny / audit covering key findings, recommendations, and conclusions
- 6.2 The Committee Reports shall be submitted to the clerk and made available on the Trusts chosen document storage system. Reports can be agreed by Committee members by email.
- 6.3 The Committee Reports will be made available to Trustees at least 7 days in advance of the next meeting of the Trust Board.
- 6.4 The Committee shall arrange for the production and delivery of such other reports or updates as requested by the Trust Board from time to time.
- 6.5 The Committee shall conduct an annual review of its work and these terms of reference and shall report the outcome and make recommendations to the Trust Board.



Schedule of Responsibilities of the Audit and Risk Committee

Strategic Plan Objectives

Statutory Compliance - The Trust will operate a 'best-practice' approach to ensure statutory compliance is maintained across all operations as validated through audit.

- Ensure that appropriate policies, procedures, and systems are in place to ensure statutory compliance is maintained across all areas.
- Ensure that all members of staff who are accountable for maintaining statutory compliance receive regular training so that they are best placed to meet their obligations.
- Ensure that appropriate internal and external assurance structures are in place.

Responsibilities

To maintain an oversight of the Trusts financial, governance, risk management and internal control systems

To report findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the Trusts annual reporting requirements.

Programme of Internal Assurance

To take delegated responsibility on behalf of the Trust Board 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 Trust Handbook.

To advise the Trust Board on the adequacy and effectiveness of the Trusts systems of internal control.

In consultation with the Chief Executive Officer recommend to the Trust Board the method by which internal assurance work is undertaken.

To agree an annual programme of internal scrutiny / audit, which is objective and independent, covering systems, controls, transactions, and risks.

To consider the appropriateness of executive action following internal audit/internal scrutiny reviews and to advise the board on any additional or alternative steps to be taken

To advise the Trust Board on the agreed recommendations arising from those reports and monitoring of the implementation of any agreed actions.

Programme of External Assurance

In consultation with the Chief Executive Officer recommend to the Trust Board and Members the appointment, reappointment, or removal of the external auditor.

Review and discuss with the external auditor the nature and scope of each forthcoming audit.



Review the annual report and accounts and recommend to the Trust Board for approval.

Consider 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.

Review the auditor's findings and actions taken by the Trust leaders in response to those findings

Ensure that the contract for external audit reviewed at least once every 6 years in order to assure continued value for money and objectivity.

Risk Management

To advise the Trust Board on the adequacy and effectiveness of the Trusts systems of internal control, governance, and risk management processes.

To receive the Trusts Risk Assessment matrix and to regularly review and evaluate identified risks, their mitigations, and their score.

To oversee the annual review of the Trust Risk Register

To receive a short annual report detailing the Trust Gifts Register.

To ensure that all allegations of fraud and irregularity are investigated appropriately.

Ensure compliance with the Academies Trust Handbook and the '7 principles of public life'.

Compliance

To receive each term the report from the Compliance Committee and advise as necessary. This will include Health and Safety, GDPR and Training compliance.

Financial Policies and Procedures

Review the Trusts internal and external financial statements and reports to ensure that they reflect best practice.

To agree changes to the Financial Procedures Manual to ensure the effective implementation and operation of financial processes.

To advise the Trust Board on levels of financial delegation.

Pay and Performance Management

To receive annually a summary report of the performance management moderation process from the Director of HR.

Review and approve the outcome of the associated annual pay recommendations.



General

Reviewing or investigating any other matters referred to the Committee by the Trust Board.

Review the committee's membership and effectiveness on an annual basis to ensure it has the relevant skills and experience.

Drawing any significant recommendations and matters of concern to the attention of the Trust Board.