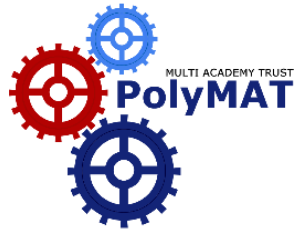




Woolwich Polytechnic
School for Boys



Woolwich Polytechnic
School for Girls

TRUSTEE BOARD OF PolyMAT TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

Reviewed: August 2020

Approved by Trustees: October 2020

Due for revision: October 2021

1 Purpose of the Audit Committee

- 1.1 The purpose of the Audit Committee is to provide assurance to the main Board of Trustees (the Trustees) of PolyMAT (known as the “Trust”), over the suitability of, and compliance with, the financial systems and operational controls of the Trust and its constituent academies, taking into account the differing risks and complexity of their operations in addition to overseeing the effectiveness of the Trust’s risk management arrangements.
- 1.2 The Audit Committee also verifies the “self-determination” assessments of academies undertaken according to their academic performance, OfSTED readiness, financial probity and policy compliance.

2 Membership

- 2.1 There shall be at least three members (of whom at least two shall be Trustees and at least one of whom shall have the relevant skills and expertise). The Trustees may co-opt other persons to the Committee who are not Trustees. The membership will be agreed on an annual basis at the first meeting of Trustees in the academic year.
- 2.2 The members of the Committee shall hold office from the date of their appointment until their resignation or their removal from membership of the Committee by the Trustees. The Chair of the Committee shall be appointed by the Trustees and will normally be a Trustee to allow effective feedback to the Trust. If the Chair is absent from a meeting, the members shall choose one of their number to act as Chair for that meeting.
- 2.3 Members of the Committee, whether they are Trustees or not, must declare personal and pecuniary interests, related party transactions, loyalties and duties, in the same circumstances as apply to the Trustees.

3 Membership and quorum

- 3.1 Three members represent a quorum, at least one of them being a Trustee.

4 Meetings

- 4.1 The Committee shall meet as necessary but will normally hold at least three meetings in every academic year. Additional meetings may be requested by the Chair or any two members.
- 4.2 The meetings shall be timely with the work of the Trust’s appointed auditor.
- 4.3 The Chair of the Trust, the Accounting Officer, the Chief Executive Officer, the Chief Finance Officer, the Responsible Officer or other persons may be invited by the Committee to attend meetings.
- 4.4 The Committee shall invite the External Auditors to attend the December meeting each year.
- 4.5 Other Trustees shall not have the right to attend meetings.

4.6 The Clerk to the Trust shall be the Clerk to the Committee, keeping appropriate records of the proceedings.

4.7 The agendas and minutes of Committee meetings shall be circulated to all Trustees.

5 Reporting

5.1 The minutes of every meeting shall be recorded and submitted to the following meeting of the Trustees.

5.2 The Committee will report to the Trustees on the system of internal control and the reliance which can be placed upon it.

6 Delegated Authority

6.1 The Committee is authorised by the Trustees to:-

6.1.1 Investigate any activity within its terms of reference.

6.1.2 Seek any information it requires from the internal audit service, the external auditor, Trustees, Local Governing Body, Committees and Trust employees, plus relevant information from subcontractors and other third parties.

6.1.3 Obtain external professional advice.

6.1.4 Cooperate with risk management auditors and risk managers

6.1.5 Approve the remuneration to be paid to the external auditor provided it is within the current year budget allocation approved by the Trust.

NB. The Trustees must not add to these terms of reference responsibilities that require the Audit Committee to adopt an executive role, or its members to offer professional advice to the Trustees. The Audit Committee should seek formal professional opinions from the external auditor or other professional advisers to the Trustees. Advice should only be given in the name of the Committee's and only within their terms of reference.

7 Key Duties and Responsibilities

The duties of the Committee shall include:-

7.1 Advising the Trustees on the adequacy and effectiveness of the Trust's and its constituent Academies systems of internal financial control and its arrangements for risk management, control and governance processes and for securing economy, efficiency and effectiveness (value for money); including:

- Reviewing and, challenging where necessary, the information submitted by the Trust, and its constituent academies, to the DfE and ESFA that affects funding

Audit

- 7.2 Recommend the appointment, re-appointment, dismissal of the external auditor and oversee the Trust's relations with them.
- 7.3 Approve the terms of engagement and remuneration, in accordance with 6.1.5, to be paid to the external auditor.
- 7.4 To discuss with the external auditor, the scope and objectives and ensuring effective co-ordination of the work of the external auditor.
- 7.5 Establishing, in conjunction with Trustees and the Chief Executive Officers, relevant annual performance measures and indicators and monitoring the effectiveness of the external auditor through these measures and indicators and deciding, based on this review, whether a competition for price and quality of the audit service is appropriate.
- 7.6 Being informed of all additional services undertaken by the external auditors.
- 7.7 Meeting privately with the External Auditors, and separately with the Chief Finance Officer at least once a year.

External Audit

- 7.8 To review with the external auditor the findings of their work, including any major issues arising and their resolution, key accounting judgements and levels of errors identified during the audit.
- 7.9 Producing an annual report, to inform the annual governance statement, for the Trustees and accounting officer which should include the Committee's advice on the effectiveness of the Trustees' risk management, control (including financial control) and governance processes and any significant matters arising from the work of the external auditor.
- 7.10 Recommending the annual Auditor's Report to the Trustees for approval.
- 7.11 Considering and advising the Trustees on relevant reports by the National Audit Office, the ESFA and other funding bodies and, where appropriate, management's response to these.

Risk Management

- 7.15 Establishing, monitoring and reviewing the Risk Management Plan and Risk Register for the Trust, annually reviewing each academy's risk register and to ensure where necessary there is an effective risk mitigation plan.
- 7.16 Advising the Trustees on the Risk Management Plan and its adequacy and effectiveness.
- 7.17 Monitoring, within an agreed timescale, the implementation of reasonable recommendations relating to risk management audit reports.
- 7.18 Monitor and approve any changes to the Covid-19 risk assessment

Other

- 7.19 Review the Director's Register of Relevant Business and Pecuniary Interests before issuing to the Trust for full oversight.
- 7.20 Considering and advising the Trustees on any alleged fraud and irregularity in the Trust's financial and other control systems and ensuring that all allegations of fraud and irregularity are properly followed up.
- 7.21 Monitoring the Trust's whistleblowing procedures and advising the Trustees on their effectiveness.
- 7.22 To prepare and review the Conflict of Interest policy.