

Leading Learners Multi Academy Trust



Audit and Risk Committee Terms Of Reference

Approved by:	Trust Board	Date: 19 September 2024
Last reviewed on:	24 September 2026	
Next review due by:	September 2027	

Purpose of the Committee

The Audit and Risk Committee of Leading Learners Academy Trust will support the Board of Trustees in discharging its statutory responsibilities and accountabilities in accordance with the Trust's Articles of Association and under the Academy Trust Handbook and the Trust's Scheme of Delegation by providing independent and objective advice on all key matters relating to financial planning, effective use of resources and oversight of financial performance, the appointment and oversight of the work auditors and the production of its statutory financial statements and returns. The Committee shall uphold the Vision, Mission, and Values of the Trust, serve the interests of the Trust and be accountable to the Trust Board.

In the event of any uncertainty regarding these terms of reference, the Scheme of Delegation shall take priority.

1. Constitution

1.1 The board of Trustees (the Trustees) of Leading Learners referred to as the Trust Board, hereby resolves to establish a committee of the Trust Board to be known as the Audit and Risk Committee (the Committee).

1.2 The Committee will report to the Trust Board.

2. Membership

2.1 The Committee shall have a minimum of three members and a maximum of six members. A majority of the Committee members must be Trustees. At least one of the Committee members shall be appropriately financially qualified and/or experienced.

2.2 The Committee's current members are set out in Appendix 1.

2.3 The Committee shall at the first meeting of each academic year elect a member to act as chair of the Committee (the Chair). The Chief Executive Officer (CEO) and Chief Financial Officer (CFO), and the Chair of the Trust Board are not eligible to be elected as Chair of the Committee.

2.4 No person may act as Chair under paragraph 2.3 unless they are also a member of the Trust Board.

2.5 The Chair of Trustees shall ensure that a governance professional is engaged to take minutes at meetings of the Committee. Should they be absent, one of the Committee members may be asked to take the minutes, however this should not be the Chair or a Trust member of staff. If the meeting is taking place remotely, the Chair may alternatively, ask members for permission to record the meeting in order that the meeting minutes can be provided by the absent governance professional.

2.6 The Committee may invite attendance at meetings from 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 terms of reference

3.2. The Committee shall conduct an annual review of the terms of reference and its effectiveness.

4. Proceedings of Committee Meetings

4.1. The Committee will meet as often as is necessary to fulfill its responsibilities but at least four times a year, including a meeting to agree the annual report and accounts of the Trust.

- 4.2. Additional meetings may be called by the Chair of the Committee or at the request of the Trust Board. In addition, any two Committee members can request that the Chair convene a meeting by giving no less than fourteen days prior notice.
- 4.3. The quorum for the transaction of the business of the Committee shall be 3. For any meeting there must 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 of the Trust.
- 4.4. Any matter considered at a Committee meeting shall be decided by a majority of the votes cast by members present. If the meeting lacks a quorum, the matter may be decided by a majority vote conducted via email following the meeting.
- 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 be published annually on the Trust's website.

5. Reporting

- 5.1. Within seven (7) days of each meeting, the Governance Professional shall prepare draft minutes and submit them to the Chair of the Committee for review.
- 5.2. Following the Chair's review, the Governance Professional shall circulate the draft minutes to all Committee members by email. Draft minutes may be used to inform the Trust Board but shall be formally approved at the next meeting of the Committee.
- 5.3. The Committee shall ensure the preparation and submission of any additional reports required by the Trust Board, regulators, or other relevant bodies.
- 5.4. The Committee shall conduct an annual review of its activities and these Terms of Reference, and shall report the findings and any recommendations to the Trust Board.

6. Authority

The Committee is authorised by the Trust Board to:

- 6.1 Carry out any activity authorised by these terms of reference; and
- 6.2 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. The committee may co-opt additional members for a defined period to provide specialist skills, knowledge and experience and is authorised to obtain any independent specialist advice it considers necessary, subject to budgets agreed by the Trust Board

7. Scope of the Committee's Duties and Responsibilities

The Committee is authorised to:

- 7.1 Investigate any activity within its terms of reference.
- 7.2 Review the adequacy and effectiveness of the Trust's governance, risk management and internal control arrangements, as well as its arrangements for securing value for money.
- 7.3 Produce an annual Trustee report in respect of the above

- 7.4** Advise the Board on the appointment, re-appointment, dismissal and remuneration of the external auditor.
- 7.5** Advise the Board on the need for and, where appropriate, the appointment, re appointment, dismissal and remuneration of an internal auditor or other assurance provider.
- 7.6** Review the external auditor's plan each year
- 7.7** Receive and recommend the Trust's Financial Statement in good time for relevant deadlines
- 7.8** Agree on an appropriate programme of work to be delivered by independent assurance providers. This programme of work should be to be derived from the Audit & Risk Committee's regard of the key risks faced by the Trust, the assurance framework in place and its duty to report to the Board.
- 7.9** Direct the Trust's programme of internal audit and reporting to the Board on the adequacy of the Trust's financial and other controls and management of risks.
- 7.10** Receive reports from the external auditor, internal auditor and other bodies (for example the DFE) 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 or action.
- 7.11** Regularly monitor outstanding audit recommendations and progress from whatever source and ensure any delays in respect of agreed implementation dates are reasonable.
- 7.12** Promote co-ordination between the internal and external auditors and act as point of contact for internal auditors
- 7.13** Consider and advise the Board of Trustees on any relevant audit reports and audit guidance.
- 7.14** Ensure the independence in internal audit by establishing and maintaining appropriate reporting lines whereby internal audit report directly to the Committee.
- 7.15** Seek any information it reasonably requires for the proper performance of its role. In compliance with all procurement and value for money requirements, obtain such external legal or other independent professional advice as is reasonably necessary for the performance of their role, the cost of which shall be borne by the Trust.
- 7.16** Advise the Board of Trustees of any non-audit services undertaken for the Trust by the internal auditors or the external auditors
- 7.17** Ensure that all allegations of fraud, including academic fraud, and any significant losses or other irregularities are properly investigated and, where appropriate, that the internal auditors, external auditors and, where required, the DFE are informed.
- 7.18** Abide by the Trust's governing documents and any ESFA guidance and strategy documents.
- 7.19** To offer the ultimate port of call for any urgent or highly sensitive concerns raised under the Trust's Whistleblowing Policy in respect of the Trust's integrity, financial or otherwise.
- 7.20** Receive and review reports on health and safety matters across the Trust
- 7.21** Receive and review reports on significant HR and Safeguarding cases

8. Risk Management

In relation to internal control and risk management the Committee is authorised to:

8.1 Advise the Board of Trustees on the adequacy and effectiveness of the Trust's systems of internal control and its risk management and governance processes in ensuring that satisfactory arrangements are in place to promote economy, efficiency, and effectiveness (value for money).

8.2 Ensure the Trust's Risk Register includes contingency and business continuity planning.

8.3 Ensure that the risk register covers the full operations and activities of the trust, not only financial risks.

8.4 Review the adequacy and robustness of the Trust's risk registers, processes and procedures for the identification, assessment, evaluation, management, and reporting of risks.

8.5 Report periodically to the Board of Trustees on the effectiveness of the Trust's risk management, internal controls and governance processes, and any significant matters arising from the work of the internal and external auditors

8.6 Assist the Board as required in relation to the production of the Trust's annual report.

9. Fraud

9.1 The Committee will receive reports from management on all cases of reported fraud, attempted or suspected fraud or other irregularities including bribery, money laundering, tax evasion and whistleblowing incidents and consider whether appropriate action has been taken. It will:

9.2 Review the adequacy of procedures for detecting, recording, and reporting fraud and other irregularities, including ensuring a fraud register is maintained, and ensuring they comply with good practice and any applicable regulatory requirement.

9.3 Ensure that any material fraud or misappropriation is reported to the appropriate regulator in a timely manner.

9.4 Review on an annual basis the procedures for detecting and preventing fraud and corruption. Receive periodic reports as appropriate regarding Money Laundering including reports to the Serious Organised Crime Agency (SOCA).

9.5 Monitor the implementation and completion of actions resulting from any incident 'lessons learnt' reports to strengthen internal control arrangements.

10. Receiving reports

10.1 Receive reports on the management of assets including premises and their security, ensuring an asset recording system is in place.

11. GDPR

11.1 Receive regular reports from the Data Protection Officer (DPO) on GDPR compliance, including breaches, Subject Access Requests (SARs), and data protection impact assessments.

11.2 Consider GDPR-related risks as part of the Trust's risk management framework and ensure that mitigating actions are in place.

11.3 Provide assurance to the Board that the Trust's arrangements for GDPR compliance are effective and escalate significant issues where appropriate.

Members

Alex Gallimore
Carole Gradwell
Catherine Walsh
David Clayton

The CEO, CFO and the Governance Professional will also be in attendance.