

**Oxford Diocesan Schools Trust
Audit Committee**

Terms of Reference

Purposes of the Committee

The over-arching purpose of the ODST and (by delegation) all of its committees, is to deliver our vision: the belief in educational excellence. We aim to serve our pupils, staff, parents and their local community by providing academies with the highest levels of academic rigour and pastoral care. Through this purpose, the Board/Committee(s) will enable ODST's academies to be places where children and young people develop and thrive intellectually, socially, culturally and spiritually.

The specific purposes of this Committee is to assist the ODST Board of Trustees in fulfilling its oversight responsibilities with particular reference to strategic financial reporting, internal control, risk management and external audit. To make appropriate comments and recommendations on such matters, to the Board of Trustees on a regular basis and refer major issues to the Board of Directors for ratification.

Membership

Membership and terms of reference will be reviewed annually by the Board.

- The Committee will be comprised of up to 4 Trustees (including the Chair of the Finance Committee), and up to 4 members appointed by the Board of whom 2 should be independent members.
- The external auditor will be invited to attend all meetings.

Meetings

- The Committee will meet as often as is necessary to fulfil its responsibilities and at least three times a year.
- The Committee shall elect a chair annually (with the proviso that the Audit Committee and the Finance Committee will be chaired by different persons) who will be responsible for ensuring the agendas are produced, minutes of the meeting are taken and a report presented to the subsequent Board of Trustees meeting.

Quorum

The quorum shall be two members of the Committee. (It is the responsibility of officers to alert the clerk in the event of known non-attendance of meeting).

Terms of Reference

The general terms of reference will mirror those of the Finance Committee.

Financial Reporting

- To review the actions and judgements in relation to ODST's financial statements, operating and financial review, paying particular attention to critical accounting policies and practices, and any changes in them:
 - decisions requiring a significant element of judgement;
 - the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;
 - the clarity of disclosures;
 - the going concern assumption;

- compliance with accounting standards;
- compliance with DfE/ESFA and relevant statutory requirements;
- material post balance sheet events;
- relationships and transactions arising from ODST's association with other Diocesan organisations.

Governance Statement

- The outcome of the Committee's work should inform the Governance Statement (including the way in which the Trust monitors regularity, propriety and value for money) that accompanies the Trust's annual accounts and, so far as is possible, provide assurance to external auditors.

Internal Control and Risk Management

- To review ODST's procedures for detecting fraud and whistle blowing and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters.
- To review management's reports on the effectiveness of the systems for internal financial control, financial reporting and risk management.
- To monitor the integrity of the Trust's internal financial controls.
- To review the statement in the annual report and accounts on the Trust's internal controls and risk management framework.
- To assess the scope and effectiveness of the systems to identify, assess, manage and monitor financial and non-financial risks.

Internal Audit/Responsible Officer

- To monitor the internal audit function.
- To review the reports of the Auditor (Responsible Officer) on the effectiveness of the financial procedures and controls. These reports must be reported to the Board of Trustees.

External Audit

- To recommend to the Board of Trustees the appointment or re-appointment of Auditors having consulted the Finance Committee about the appointment, in particular about the level of the audit fee.
- To consider the audit plan, in advance of the field work.
- To review with the external auditors the findings of their work, including any major issues that arose during the course of the audit and have subsequently been resolved and those issues that have been left unresolved; key accounting and audit judgements; levels of errors identified during the audit, obtaining explanations from management and, where necessary the external auditors as to why certain errors might remain unadjusted.
- To review and monitor the content of the external auditor's management letter and especially, establish whether recommendations have been acted upon and if not, the reasons why they have not been acted upon.

Powers of the Committee

The Committee shall have the power to require explanations, documents or analysis from any member or employee of the trust and to make recommendations to officers, committees and Board of the Trust; in the event of those recommendations not being accepted they must be referred for consideration to the Board.

Recording and reporting of meeting

There will be a clerk to the Committee, who will produce minutes of all meetings to be circulated before the full ODST Trustees' meeting following the committee meeting. The committee may submit a report to the Trustees and/or the Accounting Officer on any matter within its remit.

Review of terms of reference

Annually, by the full Board of ODST.

Date of last Review: 23rd November 2023