# Holy Cross Catholic MAC

## ( The 'Company')

**TERMS OF REFERENCE**

## Audit Committee

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| Responsible for Policy | Marina Kelly |
| Committee/Board Approval Date | September 2026 |
| Date of Policy Review | September 2027 |

**Version Control**

| Version | Status | Date | Author | Department | Summary of Changes |
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| 1.0 | **Draft** | June 2019 | J Parry | HCCMAC, Central Team | Draft document for Board Approval |
| 1.1 | **Approved** | 5 Sept 2019 | | MAC Board | Approved by MAC Board of Directors |
| 2.0 | **Approved** | 2 Sept 2020 | J Parry | HCCMAC, Central Team | Amended terms of Reference approved by MAC Board. |
| 2.1 | **Approved** | 1 Sept 2021 | | HCCMAC, Central Team | Approved by MAC Board. |
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| 3.0 | **Approved** | 5 Dec 2023 | J Parry | HCCMAC, Central Team | Amended to include ToR of Estates sub-committee from Sept 2023<br>Presented to MAC Board 20 December 2023 |
| 4.0 | **Approved** | 11.9.2024 | J Parry | HCCMAC, Central Team | Draft presented to MAC Board for approval |
| 5.0 | **Approved** | Sept 2025 | J Parry | HCCMAC, Central Team | Annual review of Resources Cttee Terms of Reference |
| 6.0 | | Sept 2026 | | HCCMAC, Central Team | Annual review of Resources Cttee Terms of Reference |

**Holy Cross Catholic Multi-Academy Company**

## Terms of Reference – Audit Committee

### 1. Introduction

The board of directors (Directors) of Holy Cross Catholic (the Company Board) has established a committee of the Company Board to be known as the Audit Committee (the Committee).

The Committee is authorised to:

- investigate any activity within its terms of reference; and
- seek any appropriate information that it requires from any officer within the Company and all officers shall be directed to co-operate with any request made.

### 2. Audit Committee Responsibilities

### 2.1 External Audit

- To consider the appointment of the external auditor, assess independence of the external auditor and make recommendation on the appointment to the Board of Directors.
- To make appropriate recommendations through the Company Board to the members of the Company to consider at any general meeting where the accounts are laid before members.
- To recommend the audit fees to the Company Board and pre-approve any fees in respect of non-audit services provided by the external auditor and to ensure that the provision of non-audit services does not impair the external auditors' independence or objectivity.
- To discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor receives the fullest co-operation.
- To review the external auditor's annual management letter and all other reports and recommendations, together with the appropriateness of management's response.
- To review the performance of the external auditor on an annual basis.
- To recommend to the Company Board the appointment / re-appointment of the external auditor.
- To review and consider the circumstances surrounding any resignation or dismissal of the external auditor.

## 2.2 Internal Audit

- Audit Committee will:
    a. Ensure that the internal audit function is implemented
    b. Review the resulting reports and recommendations together with the appropriateness of management's response.
    c. Monitor the implementation of action agreed by management in response to reports from the external auditor and internal audit.

- The Internal Audit function will be fulfilled by a mutual peer to peer review with another Multi-Academy Company or Trust, or by a suitably qualified external reviewer appointed by the MAC Board.
- The directors will select a Multi-Academy Company or Trust to take responsibility for carrying out an internal audit of the Company's financial arrangements on their behalf.
- The internal audit will be undertaken by an appropriately qualified and experienced individual with the necessary financial skills to be able to perform the role competently.
- The remit will be to provide an independent oversight of the Company's financial affairs, reporting to the Committee in an advisory capacity.
- The main duties will be to provide Directors with ongoing independent assurance that:
    a. The financial responsibilities of the Company are being properly discharged;
    b. Resources are being managed in an efficient, economical and effective manner; and
    c. Sound systems of internal financial control are being maintained.
- A specific programme of checks to be performed will be agreed with this committee and will include checks on bank reconciliations, orders, payroll documentation, delivery notes, invoices, authorisation of transactions and returns to the Department for Education and the Education and Skills Funding Agency, to ensure that the information supplied is consistent with the Company's accounting records.
- After each checking session, a written report will be provided to Directors via this committee.

## 2.3 Financial Management & Policies

- To keep under review the Company's financial management and reporting arrangements, providing constructive challenge (where necessary) to the actions and judgements of management in relation to the interim management and financial accounts, statements and reports and the annual accounts and financial statements, prior to submission to the Company Board, paying particular attention to:
    i. critical accounting policies and practices, and any changes in them
    ii. decisions requiring a major element of judgement

iii. the extent to which the financial statements are affected by any unusual or complex transactions in the year and how they are disclosed
iv. the clarity and transparency of disclosures • significant adjustments resulting from the audit
v. the going concern assumption
vi. compliance with accounting standards
vii. compliance with DfE and legal requirements

- To review the Company's policy and procedures for handling allegations from whistleblowers.
- To review the Company's policies and procedures for handling allegations of fraud, bribery and corruption.
- To receive reports on the outcome of investigations of suspected or alleged impropriety.
- To review the adequacy of policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.
- To ensure that any significant losses are investigated and reported to the DfE where required.
- To review the Company's risk management policy, strategy, processes and procedures for the identification, assessment, evaluation, management and reporting of risks.
- To review the adequacy and robustness of risk registers.
- To keep under review the adequacy and effectiveness of the Company's governance, risk management and internal control arrangements, as well as its arrangements for securing value for money, through reports and assurances received from management, the Responsible Officer, the External Auditor and any other relevant independent assurances or reports (e.g. from the National Audit Office).
- To review all risk and control related disclosure statements, in particular the Company's annual "Statement on Internal Control", together with any associated reports and opinions from management, the external auditor and Responsible Officer, prior to endorsement by the Company Board. General
- To review or investigate any other matters referred to the Committee by the Company Board.
- To draw any significant recommendations and matters of concern to the attention of the Company Board.

## 3. Administration

### 3.1 Membership

- The Committee will consist of at least two Directors of the Board together with the Chief Executive Officer (CEO). Additionally, another co-opted may

also be appointed. Any Director may attend and vote at Committee meetings.

- The Committee will be quorate if (i) three members are present (at least one of which must be a Director or (ii) two Directors are present. No resolution may be passed by the Committee unless at least two Directors are present in the relevant meeting.
- The Committee shall at the first meeting of each academic year elect a member to act as chair of the Committee (the Chair). The Committee will elect a temporary replacement from among the members present at the meeting in the absence of the Chair.
- No person may act as Chair unless they are also a member of the Company Board.
- The Catholic Senior Executive Leader shall ensure that a clerk is provided to take minutes at meetings of the Committee.
- The Committee may invite attendance at meetings from persons who are not Directors or Committee members to assist or advise on a particular matter or range of issues.
- Agendas will be agreed in advance by the Chair of the Committee (based on, but not limited to, a pre-agreed annual schedule of activity; provided that any member may request that a matter is included in the agenda.

### 3.2 Proceedings of Committee Meetings

- The Committee will meet as often as is necessary to fulfil its responsibilities but at least three times a year.
- Any two Committee members can request that the Chair convene a meeting by giving no less than 14 days prior notice.
- Every question to be decided at a meeting of the Committee must be determined by a majority of the votes of the members present and voting on the question.
- Each member present in person shall be entitled to one vote.
- Where there is an equal division of votes the Chair shall have a casting vote.
- A register of attendance shall be kept for each Committee meeting and published annually.

### 3.3 Reporting Procedures

- Within 14 days of each meeting the Committee will (together called the Committee Reports):
    i. produce and agree minutes of its meetings;
    ii. provide a summary document identifying:
        a. decisions made,
        b. recommendations to the Company Board,

c. items for information for the Company Board and
d. items for further discussion by the Company Board.

- The Committee Reports can be agreed by Committee members by email.
- The Committee Reports will be sent to all members of the Company Board within 21 days of each meeting.
- The Committee shall arrange for the production and delivery of such other reports or updates as requested by the Company Board from time to time.
- 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 Company.