

Jigsaw

Terms of Reference for the

Audit Subcommittee

The Audit Sub-committee is a sub-committee of the Jigsaw Board. The Subcommittee's principal objective is to provide strategic advice and exercise oversight on areas within its remit.

Key responsibilities of the Sub-committee:

This sub-committee deals with the annual external audit of the financial statement and any other external audits and reports to the Board. In particular:

External Audit of the Annual Financial Statements

- Review the annual audited accounts including the Directors' Report, etc. for accuracy of financial data for presentation to the full Board.
- Meet the external auditor, at least annually in line with the audited accounts, without the Executive present.
- Discuss the management letter from the external auditor (following the annual audit) and agree the reply for recommendation to the Board for approval.
- Monitor implementation of improvements agreed in response to external audit recommendations.
- Assess continuing suitability of the appointed external auditor and recommend to the Board the appointment/reappointment of the auditor. Where relevant or appropriate the Audit subcommittee is responsible for proposing to the Board any change in external auditor with a supporting rationale.
- Recommend to the Board the level of remuneration for the external auditor for approval by the Board.

Other External Financial Audits

- Discusses reports from other external auditors (normally funders) and agrees the reply for recommendation to the Board for approval.
- Monitors implementation of improvements agreed in response to external audit recommendations.
- Provide an independent and objective review of the process relating to Jigsaw's management of financial risk, prevention of corruption and waste and the system of internal controls.

Risk

- Review financial risk as relevant to the audited annual accounts.
- Identify areas of risk related to any area of the organisation to the Quality and Safety subcommittee for consideration within the risk management process of the organisation and request reports and updates on same.

Membership

The Sub-committee shall consist of Chairperson, who is a Board member, at least two other Board members and the sub-committee shall have at least one external member.

At least one member has strong financial expertise and qualifications.

In line with best practice the Board Chair can be present but is not a member of this sub-committee.

Relevant staff members shall normally be required to attend all meetings of the Sub-committee. Other staff shall attend meetings as required. Youth Advisory Panel members may be requested to be in attendance.

A staff member shall act as secretary to the Sub-committee.

Casual Vacancies

The Jigsaw Board from among their members shall fill casual vacancies occurring in membership of this committee. The Board will also consider proposals in relation to the replacement of external members.

Frequency of Meetings & Quorum

The Sub-committee shall meet not less than once per year or more frequently if the business requiring its attention should so dictate. A quorum at each meeting shall be two members.

Reporting to the board

The Sub-committee will present verbal and/or written reports to the Board. The subcommittee meetings will be minuted and these minutes will be circulated to the Board. The work of the committee should be fully and accurately reflected on the Board's agenda and minutes.

Review

The Sub-committee shall conduct an annual self-review of its performance including a review of the terms of reference.

Terms of Reference to be reviewed no later than July 2019.

Reviewed by the Audit Subcommittee on 9th November 2018.

Approved by the Board on: 21st November 2018