

**Terms of Reference
for the
Godalming College
Audit Committee**

1. Membership and Meetings

- 1.1. The Committee shall be appointed by the Board of Trustees and shall consist of at least four members.
- 1.2. Employees of the trust should not be Audit Committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions.
- 1.3. The Board of Trustees shall appoint the Chair of the Committee. The Chair of the Board of Trustees should not be chair of the Audit Committee.
- 1.4. A quorum shall be three Trustee members of the Audit Committee.
- 1.5. The Clerk to the Board of Trustees shall be Clerk to the Committee.
- 1.6. Meetings of the Audit Committee shall be held at least three times a year.

2. Delegated Authority

- 2.1 The Committee is authorised by the Board of Trustees to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any individual trustee, committee of the Board of Trustees or employee of the College and all trustees and employees of the College are directed to co-operate with any request made by the Committee. The Committee shall operate in accordance with any requirements of the funding agencies.
- 2.2 The Committee is authorised by the Board of Trustees to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary.
- 2.3 The Committee shall make recommendations to the Board to appoint non-Trustee members of the Committee, under Article 101 of the Articles of Association, where such appointments would provide additional skills and expertise.

3. Terms of Reference

The responsibilities of the Committee shall be to:

- 3.1 advise the Board of Trustees on what assurance framework to have in place and from where the assurances will come

- 3.2 direct the College's programme of internal scrutiny, ensure that risks are being addressed appropriately through internal scrutiny, report to the Board of Trustees on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.
- 3.3 advise the Board of Trustees on the adequacy and effectiveness of the College's system of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness and to ensure that approved changes are implemented to minimise risk to the College.
- 3.4 review the College Risk Management Policy in line with the College policy review schedule
- 3.5 advise the Members on the appointment, reappointment, dismissal and remuneration of the financial statements' auditor
- 3.6 advise the Board of Trustees on the scope and objectives of the work of the financial statements' auditor
- 3.7 ensure that the financial statements' auditor can rely upon the internal controls for the purposes of the financial and regularity audits
- 3.8 consider and advise the Board of Trustees on the audit strategy and annual audit plans for the financial audit
- 3.9 advise the Board of Trustees on internal audit and on control issues included in the management letters of the financial statements' auditor (including their work on regularity) and management's response to these
- 3.10 monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit, and the financial statements' auditor's management letters
- 3.11 establish, in conjunction with College management, relevant annual performance measures and indicators and monitor the effectiveness of the financial statements' auditor through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate
- 3.12 ensure that all allegations of fraud and irregularity are properly followed up, and reported to relevant authorities.
- 3.13 be informed of all additional services undertaken by the financial statements' auditors
- 3.14 oversight must ensure information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims (for both revenue and capital grants) completed by the College is accurate and in compliance with funding criteria
- 3.15 review the College's Data Protection policy in line with the College policy review schedule

4. Reporting Procedures

September 2022

- 4.1 The Clerk to the Committee shall circulate minutes of the meetings of the Committee to all Board Members.