

AUDIT COMMITTEE

Terms of Reference and Composition 2020/21

Internal audit

1. To review, in conjunction with internal audit, the system of internal control.
2. To ensure, in conjunction with internal audit, that arrangements are in place to promote economy, efficiency and effectiveness.
3. To approve the internal audit annual programme of work.
4. To receive internal audit reports and to provide oversight on completion of agreed management responses to internal audit recommendations
5. To discuss with the internal auditors any problems or reservations arising from internal audit activity, including their audit reports or any other matter the internal auditors may wish to discuss.

External audit

6. To discuss with the external auditors the scope of their audit and actions and responses arising.
7. To review with the external auditors the management letters arising from their audit of the University and to discuss with the Chief Operating Officer, University Secretary and other senior executives as required, the work carried out to implement agreed solutions.
8. To discuss with the external auditors any problems or reservations arising from external audit activity, including the external audit management letter or any other matter the external auditors may wish to discuss.

Management of audit practice

9. To recommend to Council the appointment of the external and internal auditors, and to advise Council on any questions of resignation or dismissal of the external and internal auditors.
10. To approve, the level of audit fee and the provision of any non-audit services by the external auditors.
11. To promote co-ordination and monitor the performance and effectiveness of the internal and external auditors on an annual basis, and to make recommendations to the Council concerning their reappointment when appropriate.
12. To approve the University approach to the provision of non-audit services by audit providers.

Assurance and Control

13. To keep under review on behalf of the Council the effectiveness of the University's approach to control and governance arrangements, and in particular to review the external auditors' management letter, the internal auditors' annual report, and management responses.
14. To review the annual consolidated financial statements of the University and any subsidiary companies to ensure that they comply with all relevant statutory requirements and

appropriate accounting conventions and to consider more broadly the transparency and openness of the reporting.

15. To provide Council with an annual report prior to signing the annual financial statements. This report will include the Committee's opinion on the adequacy and effectiveness of the University's arrangements for:
 - Risk management, control and governance
 - Sustainability, economy, efficiency and effectiveness (value for money)
 - Management and quality assurance of data submitted to HESA and to OfS and other funding bodies
 - The report will also record the work of the Committee during the year and identify any key issues for the University.
16. To oversee the University's policy on fraud, money-laundering, misappropriation and anti-bribery, any irregularity and compliance breaches, including public interest disclosure (PID) and to receive reports on all action taken.
17. To exercise oversight with regard to the University's systems for ensuring statutory compliance, including compliance with the Data Protection Legislation.
18. Monitor the University's compliance with the Office for Students ongoing conditions of registration.
19. To receive and consider any relevant external reports from bodies such as the National Audit Office, OfS and QAA.

Risk management

20. To assess and form an opinion on the effectiveness of risk management and risk control arrangements (including for academic risk). This will include consideration of the nature and extent of risks identified, likelihood of risks materialising and adequacy of actions to reduce and control risk exposure. Obtain management assurances and with appropriate reference to internal and external audit, ensure an effective process for identifying, monitoring and managing risks continues to operate.
21. To keep the University's approach to, and policies on, risk management under review, regularly considering the effectiveness of the University's control framework and the assessment of risk.

Relationship with Finance Committee

22. To engage as appropriate with the Finance Committee and the University Treasurer and Chair of Finance Committee while maintaining appropriate independence. The Committee may arrange a joint audit and finance committee meeting to examine and approve the annual report and financial statements.

Composition

*Members**

No fewer than four lay Council members (one of whom will be Chair)

An external co-opted member

*At least one of the members of the Audit Committee should have relevant financial experience.

In attendance

Vice-Chancellor
Chief Finance Officer
University Secretary

Committee Secretary (Governance Team)

External and Internal Auditors attend as appropriate to discuss issues before the Committee.
Others may be invited to attend to assist the Committee with the consideration of particular items

Frequency of meetings

The Committee should meet no less than four times per academic year

Quorum

A quorum comprises at least 50% of the members of the Committee, including the Chair or the Chair's nominee.

Membership

Name	Position	End of Office
Members		
Karl Bates	Chair	2022
Mohammed Pandor	Lay member of Council	2021
Karen McMahon	Lay member of Council	2021
Stuart Watson	Lay member of Council	2021
Simon Walker	Co-opted member	2022
In attendance		
External and Internal Auditors attend as appropriate to discuss issues before the Committee. Others may be invited to attend to assist the Committee with the consideration of particular items.		N/A
Professor Shirley Congdon	Vice Chancellor	N/A
Riley Power	University Secretary	N/A
Stuart McKinnon-Evans	Chief Finance Officer	N/A
Katherine Wass	Committee Secretary	N/A

Meeting Dates:

Date	Venue	Time
AC1 02 November 2020	Microsoft Teams	1400-1700
AC2 14 January 2021	Richmond Building, D1	1400-1700
AC3 18 March 2021	Richmond Building, D1	1400-1700
AC4 17 June 2021	Richmond Building, D1	1400-1700