

# Audit Committee

<b>Membership</b>	At least three Governors (excluding the Chair of Corporation, the Principal and members of the Finance and Property Committee)
<b>Attendance</b>	Principal, Director of Finance
<b>Quorum</b>	<b>40%</b>
<b>Schedule</b>	Two meetings per year

## Key purpose

To advise the Corporation in fulfilling its responsibilities with respect to the adequacy and effectiveness of the College's systems of internal control and its arrangements for risk management, control and governance processes and securing value for money.

## Delegations

1. To establish, in conjunction with College management, annual performance measures and indicators to monitor the effectiveness and value for money of any internal review service and external audit service.
2. To ensure the Confidential Reporting Policy is in place and monitored.
3. To produce an annual report for the Corporation and accounting officer which includes the Committee's advice on the effectiveness of the College's risk management, control and governance processes, and any significant matters arising from the work of any internal review or external audit.

## Duties

To review and make recommendations to the Corporation on:

4. The adequacy and effectiveness of the audit arrangements and systems of internal control.
5. The appointment, re-appointment or removal, scope and fees of any internal review activity and approval of any internal review programme.
6. The appointment, re-appointment, dismissal and remuneration of the external auditors, including the retendering of the external audit service at least every five years.
7. The policies and procedures for reporting financial and non-financial matters including risk management and audit opinions and recommendations and management responses.
8. The effectiveness of the risk register, and what constitutes acceptable residual risk.
9. The approval of the Risk Management Policy.
10. Control issues included in the management letters of the external auditors and the management response to these.
11. The Annual Report and Accounts prior to Corporation approval, focusing particularly on the statement of internal control and the process for review of the accounts and the levels of errors identified.

To monitor:

12. And ensure effective coordination between any internal review process and the external auditor as appropriate.
13. And ensure that additional services undertaken by any auditors are declared.
14. And ensure that the auditors have direct access to the Chair of Audit and are accountable to the Audit Committee.
15. And ensure that all allegations of fraud and irregularity are properly followed up.
16. Within an agreed timescale the implementation of agreed recommendations relating to internal audit assignment reports, annual reports and spot-check reports and the financial statements auditor's management letter.
17. To annually self assess the effectiveness of the Committee.
18. To consider other relevant matters delegated by the Corporation from time to time.