

LEEDS COLLEGE OF BUILDING

AUDIT COMMITTEE

TERMS OF REFERENCE

The Committee shall advise the Corporation on matters relating to the effectiveness of the College's internal control systems and to monitor implementation of recommendations in respect of internal and external audit reports. This would include the following:

- a) To advise the Corporation on the adequacy and effectiveness of the College's systems on internal control and its arrangements for Business Continuity and risk management, control and governance processes, and securing economy, efficiency and effectiveness .
- b) To advise the Corporation on the appointment, reappointment, dismissal and remuneration of the financial statements auditor (external) and the IAS.
- c) To advise the Corporation on the scope and objectives of the work of the IAS, the financial statements auditor (external) and the funding auditor (where appointed).
- d) To ensure effective coordination between the IAS, the financial statements auditor (external) and the funding auditor (where appointed) including whether the work of the funding auditor should be relied upon for internal audit purposes.
- e) To consider and advise the Corporation on the audit strategy and annual internal audit plans for the IAS.
- f) To advise the Corporation on internal audit assignment reports and annual reports and on control issues included in the management letters of the financial statements auditor (external) (including their work on regularity audit) and the funding auditor (where appointed), and management's responses to these.
- g) To monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports, the funding auditor's management letter and spot-check reports (where appointed) and the financial statements auditor's (external) management letter.
- h) To consider and advise the Corporation on relevant reports by the NAO, funding bodies, and where appropriate management's response to these.
- i) To establish, in conjunction with the College management, relevant annual performance measures and indicators, and to monitor the effectiveness of the IAS and financial statements auditor (external) through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.

- j) To produce an annual report for the Corporation and accounting officer, which should include 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 the IAS, the funding auditors (where appointed) the financial statements auditors (external) and any other third party audit of College systems and procedures.
- k) To comply with the provisions of the Bribery Act 2010 and ensure that all allegations of fraud and irregularity are properly followed up.
- l) To be informed of all additional services undertaken by the IAS, the financial statements auditors (external) and the funding auditors (where appointed).
- m) To recommend the approval of the annual financial statements to the Corporation.
- n) To review the whistle blowing policy on an annual basis and advise the governing body as appropriate.
- o) To undertake an annual self-assessment against the terms of reference.

MEMBERSHIP

The Audit Committee shall consist of four members of the Corporation and the external co-opted member.

QUORUM

The Committee shall be quorate if three or more members are present.

FREQUENCY

The Committee shall meet at least three times each year.

IN ATTENDANCE

The Clerk to the Corporation
The Executive Director of Finance and Resources (Risk Management Champion)
The Deputy Principal and Executive Director of Curriculum and Quality
Internal and/or financial statements auditor (external) as required
Other managers as required by the Committee

APPOINTMENT OF CHAIR

The Chair shall be elected for a three year term from the membership.
