

Bilborough College

AUDIT COMMITTEE TERMS OF REFERENCE

ROLE

- To advise the Corporation on the effectiveness of the College's internal control systems through the work undertaken by the external auditor, the ISR auditor and the internal audit service.
- Monitor the work of auditors and advise the Corporation on their appointment and dismissal.
- Following the Audit Code of Practice, to provide assurance on the quality and effectiveness of the College's corporate governance, independent of College management.
- Investigate any allegation of fraud or irregularity, seek any information it requires and obtain external professional advice.
- In matters of urgency the Chair of the Audit Committee has power to take appropriate action including notification to the Learning and Skills Council.

ACCOUNTABILITY

- Monitor and review the work of the Internal and External auditors
- Ensure that the college is compliant with the Audit Code of Practice
- Investigate and report on any allegation of fraud or financial irregularity
- Recommend the appointment and dismissal of auditors

MEMBERSHIP

The committee will comprise of members appointed by the Corporation as follows:

- Chair of the Committee, who must be a member of Corporation
- At least 3 members of Corporation
- Up to 2 non-governor members with expertise relevant to the Committees' duties

The following persons are ineligible for membership:

- Chair of the Corporation
- Principal and other senior postholders
- Members of Employment, Policy and Finance Committee

The quorum for a meeting will be 3 members of the committee, two of whom must be members of the Corporation.

Meetings will be clerked by the Clerk to the Corporation.

DUTIES

- To advise the governing body on the effectiveness of the college's whole system of internal control, including controls for securing economy, efficiency and effectiveness (Value for money) and ensuring there is a common and thorough approach to the management of risk through its risk management strategy.

- To consider and advise the governing body on the audit needs assessment and strategic and annual internal plans for the internal audit service.
- To advise the governing body on internal audit assignment reports and annual reports and on control issues included in the external auditor's management letters, and management response to these
- To consider and advise the governing body on relevant reports by the NAO and the LSC, and where appropriate, management's response to these
- To monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports and external auditors' management letters
- To establish, in conjunction with college management, relevant performance measures and indicators and to monitor the effectiveness of the internal audit service and external auditor through these measures and indicators
- To produce an annual report for the governing body which includes the committee's advice on the effectiveness of the college's system of internal control. The report should incorporate any significant matters arising from the work of the internal audit service and the external auditors.

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