

Audit Committee

The remit of Audit Committee includes internal control, risk management, internal audit and external auditors.

Membership for 2013/14

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End of Term of Office (to 31st July)

Mr R Keys (Chair) 2014

Mr R Haywood 2015

Mrs C Merrick 2014

Dr N Price 2014

Vacancy

Co-opted Members: Mr J Hunt to 21st July 2014

In attendance:

- The Treasurer
- The Vice-Chancellor and Principal
- The Registrar and Secretary
- The Director of Finance
- Internal and External Auditors as appropriate

Terms of Reference

Internal Control

- Review with Management, Internal Audit and the external auditors the effectiveness of internal controls, including internal financial controls.
- Review and approve the annual statements on internal control and internal control over financial reporting included in the financial statements.
- Review the procedures for the prevention and detection of fraud, corruption and other irregularity and monitor the reporting of fraud and other improper acts including being satisfied that all significant losses brought to the Committee's attention have been properly investigated and that internal and external auditors and, where appropriate, the HEFCE Accounting Officer have been informed.

Risk Management

- Review the effectiveness of Management processes designed to identify, assess, monitor and manage risk, including a review of the outcomes of Internal Audit reporting on the risk management process.
- Review and comment on Council periodic reports from Management identifying material business risks, the operation of risk management strategies and controls and the effectiveness of risk management processes.
- Review and approve any external reporting of risk and risk factors including in the financial statements.

Financial Reporting and Internal Controls over Financial Reporting

- Review the effectiveness of management processes and internal controls over financial reporting.
- Review with Management and the external auditors the integrity of the financial and other statements relating to the University's financial performance.
- Review with Management and external auditors the accounting policies and practices adopted by the University and compliance with financial reporting standards, relevant legislation and the Funding Council's accounts directions.
- Discuss with Management and the external auditors significant financial reporting issues and material judgements made in connection with the preparation of the financial statements, including whether they are aggressive or conservative and whether they are common or minority practices.
- Review the financial statements, management letters and letters of representation of subsidiary companies and the Guild of Students and consider the impact on the financial statements of the University.
- Recommend to Council that the annual financial statements be approved.

Internal Audit

- Advise Council concerning the method of provision of Internal Audit services and consult with Management on the appointment and performance of the Head of Internal Audit.

xiv. Monitor and review the effectiveness, objectivity, strategic focus and resourcing of the Internal Audit Function.

xv. Review and approve Internal Audit work plans, including risk assessment, strategy and planning and ensure these reflect the Organisation's risks.

xvi. Promote coordination of work between the internal and external auditors.

xvii. Monitor the results of the work of Internal Audit and the responsiveness of Management to its findings and recommendations.

xviii. Meet independently with the Head of Internal Audit at least annually to discuss any significant difficulties encountered including any restrictions on the scope of work, access to required information or any other matters.

External Auditors

xix. Advise Council concerning the appointment, reappointment and removal of the external auditors.

xx. Review with the external auditors the scope of their audit and subsequently their audit findings, including any internal control recommendations.

xxi. Monitor the effectiveness of the external auditors and the responsiveness of Management to their findings and recommendations.

xxii. Meet independently with the external auditors at least annually to discuss the quality of accounting policies, material judgements and any other matters that the Committee or the external auditors deem appropriate.

xxiii. Review annually the performance, objectivity and independence of the external auditors, taking into account relevant professional and regulatory requirements.

xxiv. Agree the terms of engagement and approve the fees and other remuneration paid to the external auditors for audit and non-audit services.

xxv. Review letters of Management representation requested by the external auditors in relation to the financial statements.

xxvi. Review and approve the policy for the pre approval of the engagement of the external auditors to provide non audit services and the approval of other non audit services on a case by case basis. Report to the Council on whether the Committee is satisfied that the provision of non audit services has not compromised the auditor's independence.

Other Matters

xxvii. Review the effectiveness of Management's processes for promoting VFM.

xxviii. Review the effectiveness of other aspects of corporate governance arrangements taking corporate governance, internal control and risk management as a whole, taking into account work conducted by internal audit and, where relevant, the external auditors management reports.

xxix. Receive any reports relevant to Audit matters from the HEFCE and similar bodies.

xxx. Review a report on any serious incidents reported to HEFCE under Charity Act requirements and consider whether appropriate mitigating action has been taken by management.

xxxi. Monitor the whistle blowing policy to ensure appropriate investigation of all matters reported under the policy, including those regarding accounting and auditing.

xxxii. Review reports from management, internal audit and other bodies on the adequacy and effectiveness of management controls over the production of data provided to HEFCE and other public bodies.

xxxiii. Review and approve significant amendments to the Manual of Financial Rules.

Dates of Meetings

The 2013/14 meeting dates are:

Tuesday 8 October 14:00

Tuesday 19 November 2013 14:00

Tuesday 4 March 2014 14:00

Tuesday 10 June 2014 14:00

Contact Details

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