

APPROVED 14 NOVEMBER 2023

AUDIT COMMITTEE

TERMS OF REFERENCE

(Adopted 14

Authority

The Committee is authorised by the governing body to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, and all employees are directed to cooperate with requests made by the Committee.

The Committee is authorised by the governing body to obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the HOI and/or Chair of the governing body. However, it may not incur direct expenditure in this respect more than £5,000 without the prior approval of the governing body.

At least one member should have recent relevant experience in finance, accounting or auditing.

The Audit Committee is authorised to approve (or recommend to the governing body for approval) all audit planning documents on behalf of the governing body.

The Audit Committee will review the audit of the draft annual financial statements. These aspects will include the external audit opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the external auditors' management letter. The Committee should, where appropriate, confirm with the internal and external auditors that the effectiveness of the internal control system of system

Oversee the institution's policy on fraud and irregularity, including being notified of any action taken under that policy.

Satisfy itself that suitable arrangements are in place to ensure the sustainability of the institution and to promote economy, efficiency and effectiveness. This may include consideration of arrangements that:

- a) support the culture and behaviour that is prevalent within the institution;
- b) ensure the effective management of conflicts of interest; and
- c) enable the appointment of 'fit and proper persons' to the governing body and senior executive positions.

Satisfy itself that effective arrangements are in place to ensure appropriate and accurate data returns are made to external stakeholders and regulatory bodies.

Receive any relevant reports from the National Audit Office and its equivalents in Scotland, Wales and Northern Ireland, the regulator and other organisations.

Monitor annually the performance and effectiveness of the external and internal auditors, including any matters affecting their objectivity, and make recommendations to the governing body concerning their reappointment, where appropriate.

Monitor other relevant sources of assurance, for example other external reviews.

Clerking arrangements

The clerk to the Audit Committee will be the Secretary to the governing body (or another