



## ST MARY'S COLLEGE BOARD OF GOVERNORS

### Mission Statement

St Mary's College is a Roman Catholic College operating under the trusteeship of the Marist Fathers. We base our philosophy on the true Christian values proclaimed in the gospel and seek to provide a challenging, high quality education whereby all member of the College community can grow as balanced individuals, morally, intellectually and spiritually.

Sub Mariae Nomine

## TERMS OF REFERENCE AUDIT COMMITTEE

### 1 CONSTITUTION

The Board of Governors hereby resolves to establish a Committee of Governors known as the Audit Committee.

### 2 MEMBERSHIP

- a. The members of the Audit Committee shall be appointed by the Board of Governors. The Chair and Vice Chair of the committee shall be elected by the Committee at the first meeting of the academic year. No member shall have executive responsibility for the management of the institution. There shall be not less than four members. A quorum shall be three members. The Audit Committee must include at least one person, whether a governor or not, with the relevant financial expertise. ***The Chair of Governors and the Principal are to be excluded from membership of the Committee.***
- b. *A governor's term of office as a member of the Committee shall last until the expiry of their term of office as a governor.*

### 3 ATTENDANCE AT MEETINGS

The Principal, Finance Director/Finance Manager and the Head of the Internal Audit shall normally attend meetings. However, at the Committee's discretion, the Audit Committee may meet with the internal or financial statement auditors without any officers present.

The Clerk to the Board or his/her appointed deputy shall be the clerk to the Committee and shall be responsible for ensuring that all documents relevant to a meeting of the Committee shall be sent out to members seven days before the date of the meeting.

### 4 FREQUENCY OF MEETINGS

Meetings shall normally be held at least termly. The internal or financial statement auditors may request a meeting if they consider one necessary.

### 5 CONTENT OF MEETINGS

The Finance Director/Finance Manager and the Internal Auditor shall normally prepare reports for consideration by the Audit Committee in line with an agenda approved by the Chair. The Financial Statement Auditors are acknowledged to have the right to attend any

meeting of the Committee if they so wish and in any case shall be required to attend one meeting annually.

## **6 AUTHORITY**

The Audit Committee is authorised 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 co-operate with any request made by the Audit Committee.

## **7 DUTIES**

**The duties of the Audit Committee shall be as follows:**

- a To assess and provide the governing body with an opinion on the adequacy and effectiveness of the College's audit arrangements, framework of governance, risk management and control, and processes for the effective and efficient use of resources, the solvency of the institution and the safeguarding of its assets
- b To advise the governing body on the appointment, reappointment, dismissal and remuneration of the financial statements auditor and regularity auditors and other assurance providers including the internal audit service (IAS) and establish that all such assurance providers adhere to relevant professional standards.
- c To advise the governing body on the scope and objectives of the work of the IAS and the financial statements auditor. To inform the governing body of any additional services provided by the financial statements, regularity and other audit and assurance providers and explain how independence and objectivity were safeguarded.
- d To ensure effective coordination between the IAS and the financial statements auditor
- e To consider and advise the governing body on the audit strategy and annual internal audit plans for the IAS
- f To advise the governing body on internal audit assignment reports and annual reports and on control issues included in the management letters of the financial statements auditor (including their work on regularity) and management's responses to these
- g To monitor, within agreed timescales, the implementation of recommendations arising from the management letters and reports of the financial statements and regularity auditor, and of any reports submitted by other providers of audit and assurance services to the College.
- h To consider and advise the governing body on relevant reports by the National Audit Office (NAO), the EFA, its successors and other funding bodies and, where appropriate, management's response to these

- i To establish, in conjunction with college management, relevant annual performance measures and indicators, and to monitor the effectiveness of the IAS and financial statements auditor through these measures and indicators and to 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 governing body. The annual report must summarise the Committee's activities relating to the financial year under review; including any significant issues arising up to the date of preparation of the report, and any significant matters of internal control. It must include the Committee's view of its own effectiveness and how it has fulfilled its terms of reference. The report must include the Audit Committee's opinion on the adequacy and effectiveness of the College's audit arrangements, its framework of governance, risk management and control and its processes for securing economy, efficiency and effectiveness.
- k To oversee the College's policies on fraud and irregularity and whistleblowing, and ensure the proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity; that investigation outcomes are reported to the audit committee; that the external auditors (and internal auditors where appointed) have been informed, and that appropriate follow-up action has been planned/actioned, and that all significant cases of fraud or suspected fraud or irregularity are reported to the chief executive of the appropriate funding body.
- l To be informed of all additional services undertaken by the IAS and the financial statements auditors
- m To recommend the annual financial statements to the governing body for approval (corporate governance statement only)

## **8 REVIEW AND APPROVAL**

- a. The minutes of the meetings of the Committee will be circulated to all members of the Board.
- b. Any recommendations made by the Committee will appear as separate items on the agenda for the next ordinary meeting of the Board.
- c. The Audit Committee must produce an annual report for the governing body. In line with point 7(j)
- d. The terms of reference of the Committee will be reviewed on an annual basis and recommendations made to the Board as appropriate.

**Amendments proposed to the Audit Committee 6.6.18**  
**Approved by the Board of Governors 4.7.18**