



AUDIT COMMITTEE

COMMITTEE REMIT 2025-26

Author: Jenny Stalker

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1 Terms of Reference

The Board has established an Audit Committee as a Committee of the Board to support them in their responsibilities for issues of risk, control and governance and associated assurance through a process of constructive challenge.

2 Membership

2.1 Members of the Audit Committee and its Chair are appointed by the Board and will consist of Board Members with no executive responsibility for the management of the College.

2.2 At least one Committee Member should have recent, relevant financial or audit experience but membership should not be drawn exclusively from people with such a background. It is desirable that one member of the Audit Committee should hold an accountancy qualification.

2.3 The Chair of the Board of Governors must not be a member of the Audit Committee.

2.4 The Principal (Accountable Officer) will normally attend the Audit Committee but is not a voting member.

3 Reporting

3.1 The Audit Committee will formally report to the Board after each meeting. A copy of the minutes of the meeting will be the basis of the report.

3.2 The Audit Committee will provide the Board with an Annual Report, timed to support finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

4 Responsibilities

4.1 The Audit Committee will advise the Board on:

4.1.1 the strategic processes for risk, control and governance and the governance statement.

4.1.2 overall effectiveness of risk management subject to findings reported from individual committees, who will review relevant risks as a standing agenda item.

The Board of Governors will have overall responsibility for scrutiny of the Strategic Risk Register tolerances, mitigations and scores.

- 4.1.3 the accounting policies, the accounts and the annual report of the college, including the process for review of the accounts prior to submission for audit, levels of error identified, and the letter of representation to the external auditors.
- 4.1.4 The planned activity and results of both internal and external audit.
- 4.1.5 The adequacy of management response to issues identified by audit activity, including external audit's management letter/report.
- 4.1.6 The effectiveness of the internal control environment and of external audit.
- 4.1.7 Assurances relating to the corporate governance requirements for the organisation.
- 4.1.8 Proposals for tendering for internal audit services or for purchase of non-audit services from contractors who provide audit services.
- 4.2 The Committee will review relevant reports from the Scottish Funding Council, Audit Scotland and other organisations.
- 4.3 The Committee will review the college's key performance indicators, including Complaints, Freedom of Information and GDPR.
- 4.4 The Committee will ensure that the college has systems and procedures to achieve value for money and is economical, efficient and effective in its use of public funding. This may require identifying specific value for money studies.
- 4.5 The Committee will provide assurances to the Board that the college has in place appropriate policies and procedures to promote and safeguard the health and safety of staff, students and all stakeholders and satisfies current legislation.
- 4.6 The Committee will review and approve relevant documents and recommend these to the Board for final approval.

- 4.7 The Committee will review policies and information provided on anti-fraud and whistleblowing through Freedom of Information reports.
- 4.8 The Committee will also periodically review its own effectiveness and report the results of that review to the Board.

5 Rights

The Audit Committee may:

- 5.1 Co-opt additional members for a period not exceeding a year to provide specialist skills, knowledge and experience
- 5.2 Procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the Board.

6 Access

- 6.1 Internal Auditors and External Auditors will have free and confidential access to the Chair of the Audit Committee.

7 Meetings

The procedure for meetings is:

- 7.1 The Audit Committee will meet at least four times per year. The Chair of the Audit Committee may convene additional meetings as deemed necessary.
- 7.2 A quorum shall be one half of the members entitled to vote upon the question before the meeting.
- 7.3 Audit Committee meetings will normally be attended by a representative of Internal Audit, the Vice Principal, Finance and Estates and a representative from appointed External Auditors.
- 7.4 The Audit Committee may ask any other officials of the organisation to attend or assist it with its discussions on any particular matter.
- 7.5 The Audit Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.
- 7.6 The Committee shall meet with the internal and external auditors without the executive team present at least annually.

7.7 The Board may ask the Audit Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

7.8 Committee members are encouraged to attend Board Strategy Events.

8 Information Requirements

For each meeting, the Audit Committee will be provided with:

8.1 A report summarising any significant changes to the organisation's risk register.

8.2 A report from Internal Audit summarising:

- key issues emerging from Internal Audit work
- management response to audit recommendations
- significant changes to the audit plan
- any resourcing issues affecting the delivery of Internal Audit objectives

8.3 A quarterly report on Health and Safety

When appropriate, the Audit Committee will also be provided with:

- Proposals for the Terms of Reference of Internal Audit
- The Internal Audit Strategy
- Internal Audit's Annual Opinion and Report
- External Audit Planning Memorandum
- Draft Annual Financial Statements
- External Audit Management Report/Letter
- Report on any proposals to tender for Internal Audit functions

The above suggests minimum requirements for inputs to be provided to the Audit Committee. In some cases, more may be provided.

9 Review of Audit Committee Remit

This remit shall be reviewed on an annual basis. The next review will be September 2026.