

Audit and Risk Committee – Terms of Reference

2023-24

Parent body

Council

Terms of reference

Authority

The terms of reference for Audit Committee follow a framework prescribed by the sector Regulator: partly for this reason, they are in a somewhat different style from those of other College committees.

The requirements of the Regulator (as set out in Annex C of the Regulator's Terms and Conditions of Funding) are met at Goldsmiths by the Terms of Reference of Audit Committee considered in conjunction with the Committee's Composition and Membership which is also approved by Council.

The Committee is authorised by Council 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 Committee.

The Committee is authorised by Council 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 head of institution and/or Chair of Council. However, it may not incur direct expenditure in this respect in excess of £5000 in any financial year without the prior approval of Council.

The Audit Committee will review the audit aspects 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 has been reviewed, and comment on this in its Annual Report to Council.

Duties

1. To advise Council on the appointment of the External Auditors, the audit fee, the provision of any non-audit services by the External Auditors, and any questions of resignation or dismissal of the External Auditors.
2. To discuss with the External Auditors, before the audit begins, the nature and scope of the audit.
3. To discuss with the External Auditors problems and reservations arising from the interim and final audits, including a review of the management letter, incorporating management responses, and any other matters the External Auditors may wish to discuss (in the absence of management where necessary).
4. To consider and advise Council on the appointment and terms of engagement of the internal audit service (and the Head of Internal Audit if applicable), the audit fee, the provision of any non-audit services by the Internal Auditors, and any questions of resignation or dismissal of the Internal Auditors.
5. To review the Internal Auditors' audit risk assessment, strategy and programme; to consider major findings of internal audit investigations and management's response; and to promote co-ordination between the internal and External Auditors. The Committee will ensure that the resources made available for internal audit are sufficient to meet the institution's needs (or make a recommendation to Council as appropriate).
6. To keep under review the effectiveness of the risk management, control and governance arrangements, and the arrangements for data quality assurance, taking into account the External Auditors' management letter, the Internal Auditors' annual report, and management responses.
7. To monitor the implementation of agreed audit-based recommendations, from whatever source.
8. To ensure that all significant losses have been properly investigated and that the internal and External Auditors, and where appropriate the Funding Council's Accounting Officer, have been informed.
9. To oversee the institution's policy on fraud and irregularity, including being notified of any action taken under that policy.
10. To satisfy itself that suitable arrangements are in place to promote economy, efficiency and effectiveness.
11. To receive any relevant reports from the National Audit Office (NAO), the Funding Councils and other organisations.

12. To monitor annually the performance and effectiveness of the External and Internal Auditors, including any matters affecting their objectivity, and make recommendations to Council concerning their reappointment, where appropriate.
13. To consider the annual Financial Statements in the presence of the External Auditors, including the auditors' formal Opinion, the statement of members' responsibilities and the statement of internal control, in accordance with the Funding Councils' accounts directions.
14. To undertake any other roles specified by the instruments of governance of the College or agreed between the Chair of Audit Committee and the officers of the College.
15. In the event of the merger or dissolution of the institution, ensure that the necessary actions are completed, including arranging for a final set of Financial Statements to be completed and signed.
16. To review the risk register to assure Council that the Executive's assessment of risk and their risk appetite is appropriate and in line with Council's appetite for risk.
17. To ensure that the controls and plans to mitigate risk are appropriate.
18. To advise Council on the risk appetite of the College.

Meetings

Meetings shall normally be held four times each financial year. The External Auditors or Head of Internal Audit may request a meeting if they consider it necessary.

Reporting

The minutes (or a report) of meetings of the Audit Committee will be circulated to all members of Council. The Committee will prepare an Annual Report covering the institution's financial year and any significant issues up to the date of preparing the report. The Report will be addressed to Council and the Warden and will summarise the activity for the year. It will give the Committee's opinion of the adequacy and effectiveness of the institution's arrangements for the following:

- a. Risk management, control and governance (the risk management element includes the accuracy of the statement of internal control included with the annual statement of accounts).
- b. Economy, efficiency and effectiveness (value for money).
- c. Data quality assurance.

This opinion should be based on the information presented to the Committee. The Audit Committee Annual Report should normally be submitted to Council before the members' responsibility statement in the annual financial statements is signed.

Members

Composition	Member	Term
Chair: an independent member of Council appointed by Council	Pam Raynor	to 2025 (eot)
Independent member	Monika Barnes	to 2025
Independent member	vacancy	
Independent member	Vacancy	
Independent member	Irene Adeyinka	to 2025
Independent member	Fiona McLaren	to 2025
Other member	vacancy	
Secretary	Matthew Brooks	

Independent members: Up to seven, but no fewer than three, independent members appointed by Council, of whom three must be members of Council itself.

Other members: Members of the Committee who are not members of Council will be appointed by Council on the recommendation of Nominations Committee, after consultation with the Chair of Audit Committee, where this is necessary to provide skills and experience or a different perspective, supplementary to that of available Council members.

In attendance

Composition	Member	Term
Chief Financial Officer / Acting Chief Operating Officer	Imran Chughtai	ex officio

Under the Standing Orders of the College, the Secretary to Audit Committee is appointed by the Chief Operating Officer.

The Committee also has the power to meet with no attendees and will normally do so at least once per year.

Notes

Members of Audit Committee shall not be members of staff of the College or the Chair of Council or have executive responsibility of any kind for the management of the institution.

There are restrictions on cross-membership of Finance and Resources Committee (please see composition of Finance and Resources Committee and relevant external guidance).

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

eot – end of term

VERSION CONTROL

Full revision of ToR	September 2023	Governance Secretariat
Approval	20 September 2023	Nominations and Governance Committee
Approved	4 October 2023	Council
Updates to attendance	11 December 2023	Governance Secretariat
Updated membership	25 March 2024	Governance Secretariat