

Board of Management Audit Committee

The 2nd meeting (Session 2016-17) of the Audit Committee will be held **at 1700 hrs** on Monday 28 November 2016 in Room C.06.106 at the City Campus, 190 Cathedral Street, Glasgow G4 0RF.

Agenda

	PAPER	LEAD
1. Apologies for Absence		Convener
2. Declarations of Interest		Convener
3. Items to be Discussed Privately with Auditors		Convener
For Approval		
4. Minute of the Audit Committee Meeting held on 14 September 2016	AC2-A	Convener
5. Annual Report and Accounts 2015-16	(to follow) AC2-B	ST
6. Risk Management Policy Review	AC2-C	PC
7. Strategic Risk Review	AC2-D	PC
For Discussion and Decision		
8. Internal Audit Annual Report 2015-16	AC2-E	ST
9. Internal Audit Review Reports		
9.1 FES Return Audit 2015-16	AC2-F	BDO/ST
10. Annual Internal Audit Plan 2016-17	Verbal	HL/ST
11. External Audit Annual Report	(to follow) AC2-G	SM/ST
12. External Audit Management Letter	(to follow) AC2-H	SM/ST
For Noting		
13. Annual report on SFC FM Delegated Limits & Expenditure	AC2-I	ST
14. Annual Report on Compensation Payments & Abandonment of Claims	AC2-J	ST
15. Disclosability of Papers		
16. Date of Next Meeting – Wednesday 8 March 2017		

TERMS OF REFERENCE

1. To review the processes for ensuring the effectiveness of the financial and other internal control systems.
2. To advise the Board on the criteria for the selection and appointment of the internal auditor, and to select and recommend the appointment of the provider of an internal audit service.
3. To review the scope and effectiveness of internal audit's work including planning and operation of the work and the internal audit annual report, and to hold an annual closed meeting.
4. To ensure that the College has systems and procedures to promote economy, efficiency and effectiveness, including where appropriate the identification of specific value for money studies.
5. To advise the Board of the process for the appointment of the external auditor, who is currently appointed by the Auditor General for Scotland, for his/her remuneration.
6. To agree the scope of the external auditor's work and determine any non-audit services to be provided.
7. To consider the College's annual financial statements after review by the Finance Committee and prior to submission to the Board focusing in particular on any changes in accounting policy, major judgemental areas, significant audit adjustments, the going concern assumption and compliance with accounting standards and the Scottish Funding Council's Financial Memorandum.
8. To review the external auditor's Management Letter and management's response, and having direct access to the external auditor, including an annual closed meeting.
9. To review relevant reports from the Scottish Government, Auditor General for Scotland, Scottish Funding Council and other organisations.
10. To monitor the performance and effectiveness of external and internal audit.
11. To monitor and review the College's Strategic Risks and Risk Management Strategy, and review Risk Management Action Plans as appropriate, to ensure that the College's approach to managing the risks is appropriate and adequate.
12. To maintain oversight of whistleblowing, anti-fraud, anti-money-laundering, and anti-bribery policies
13. To ensure that all significant losses, including those in excess of the delegated limits set out in Financial Memorandum, have been properly investigated, and that the internal and external auditors and the Scottish Funding Council have been fully informed of all such losses.
14. To ensure the committee operates in compliance with the terms of the Scottish Public Finance Manual and the Scottish Funding Councils' Financial Memorandum.
15. The Committee will report annually to the full Board of Management
16. Undertake a self-evaluation exercise annually to ensure that the Audit Committee complies with best practice in relation to governance and that the internal and external audit service is satisfactory