

## Audit and Risk Committee

Reports to	Board of Trustees
Frequency of meetings	Three or Four per year

## Membership

Chair	Appointed from the Board of Trustee members for a period of two years, renewable	Mr. Marc Leppard
Members	Three members of the Board of Trustees	Mr. Martin Hitchin Professor Nicholas Lieven
Co-opted members	Additional specialist members (who may be other Board members with the requisite skills) may be co-opted for one year, renewable for one additional year and exceptionally (to a maximum of one co-opted member) for one further additional year	Professor Clare Milsom Ms. Jane Karpinski
In Attendance Ex Officio	The Chief Executive Officer, NMITE The Chief Operating Officer, NMITE The Director of Finance, NMITE The Head of Strategic Planning, NMITE  Internal Auditors (where business relevant to them is being discussed)  External Auditors (where business relevant to them is being discussed)	
Secretary	The Clerk to the Board of Trustees	

### *Meeting and Membership Protocols*

- The Chair of the Board of Trustees may not be a member of the Audit and Risk Committee (*ARC*)
- No member of the ARC may also be a member of the Finance and Resources Committee
- No more than one member of any other Board committee may also be a member of the ARC (and never as Chair of the ARC)
- Members must have no executive responsibility for the management of NMITE
- At least one member should have a background in finance, accounting, or auditing
- The committee will normally meet three or four times a year, the final meeting of the year to be scheduled at a time in October/ November to consider NMITE's financial statements and prepare the ARC's annual report to the Board of Trustees.
- The ARC also has responsibility for seeking assurance on matters of academic governance and quality

### *Quorum*

The quorum shall be 50% of the committee membership, including a minimum of two Trustees.

### *Terms of Reference*

#### *External Audit*

- a To advise the Board of Trustees 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.
- b To discuss, if necessary, with the external auditors, before the audit begins, the nature and scope of the audit.
- c 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).

### *Internal Audit*

- d** To consider and advise the Board of Trustees on the appointment and terms of engagement of the internal audit service, 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.
- e** To review the nature and scope of internal auditors' audit plan; to consider major findings of internal audit investigations and management's response; to monitor the implementation of agreed audit-based recommendations, to promote co-ordination between the internal and external auditors and to discuss with the internal auditors any problems and reservations arising from their audit.

### *Risk Management, Governance & Control*

- f** To monitor and review the effectiveness of risk management and control of all NMITE's activities and those which would apply upon NMITE's registration with the OfS and its entry into a validation agreement with a validating body.
- g** To undertake regular reviews of the effectiveness of academic governance arrangements in previous years.
- h** To prepare an annual report on academic governance for review and approval by the Board.
- i** To scrutinise the Academic Council's proposed action plans in respect of the outcomes arising from such Quality and Standard Reviews undertaken by the Quality Assurance Agency on behalf of the OfS.
- j** To review the performance and effectiveness of the external and internal auditors annually, making recommendations to the governing body as to their reappointment.
- k** To review each quarterly assurance report and the management responses, and the internal auditors' annual report and management responses.

- l** To ensure that all significant losses have been properly investigated and that the internal and external auditors have been informed.
- m** To ensure that satisfactory arrangements are in place to promote economy, efficiency, and effectiveness.
- n** To keep the quality and accuracy of data submitted on behalf of NMITE to external agencies under review.
- o** To exercise oversight regarding NMITE's compliance with the General Data Protection Regulation (GDPR).
- p** To oversee NMITE's Corruption & Anti-Bribery Policy and Whistleblowing Policy
- q** To review regularly NMITE's insurance arrangements for assets, people, and business risks.
- r** To prepare an annual report covering the institution's financial year and any significant issues up to the date of preparing the report, addressed to the Board of Trustees, summarising the activity for the year.
- s** In the event of a merger or dissolution of NMITE, to ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.