

# Audit Committee Annual Report 2022-23

## 1. Introduction

This Annual Report provides a summary of the key activities that were undertaken by the Audit Committee<sup>1</sup> during the period September 2022 to July 2023.

Following a recommendation by the Audit Committee, the Executive Summary from this report will be published on Bloomsbury Institute's website together with a copy of the Committee's Terms of Reference given that the latter determine the activities of the Audit Committee. See **Appendix 1** for details.

## 2. Executive Summary

This Annual Report provides a summary of the key activities that were undertaken during the period September 2022 to July 2023 by the Audit Committee in line with the Terms of Reference set out in Bloomsbury Institute's Corporate and Academic Governance Framework.

- During 2022-23, the Audit Committee focused, in the main, on monitoring Bloomsbury Institute's Corporate Risk Register and Key Performance Indicators, meeting with Heads of Divisions/Departments, considering and approving an Annual Audit Report for presentation to the Board of Directors, recommending an Annual Value for Money Report and Annual Value for Money Statement for approval by the Board of Directors, and oversight of Internal Audit activities.
- Internal Audit monitoring focused on reports and updates on Payroll, Recruitment and Onboarding, Cyber and Data, Quality and Compliance, and Student Engagement, Wellbeing and Success.
- The Audit Committee continued to engage actively with its reviews of Bloomsbury Institute's Corporate Risk Register, making a number of comments and recommendations regarding the format of the document and also questioning a number of the recommended amendments made by the Senior Management Team. The Audit Committee subsequently raised these points with the Board of Directors, requesting appropriate action, where necessary. The Audit Committee interrogated the Institute's Key Performance Indicators in a similar way, raising issues with the Board and, again, requesting action, where appropriate.
- In the course of 2022-23, the Audit Committee met with the People, Talent and Culture Manager, the Head of Marketing, Communications and UK Student Recruitment, and the Head of Quality. The Committee identified no causes for concern in these areas.
- Neither Internal Audit nor External Audit raised any issues for concern.

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<sup>1</sup> Given that this report relates to AY 2022-23, references to the Audit Committee and not its new title (Audit and Risk Committee) will be used throughout.

- Based on documentation received (including that produced by the Internal Audit team) and interviews held with Heads of Divisions/Departments, the Audit Committee confirms that:
  - it is satisfied with compliance with procedures and processes; the adequacy and effectiveness of the company's risk management and control; the adequacy and effectiveness of data management and quality assurance processes; and the adequacy and effectiveness of arrangements to ensure funds are being used for proper purpose and that value for money is secured.
  - it has no causes for concern.

## Appendix 1: Audit Committee Terms of Reference and Membership

See below for the Terms of Reference and Membership as set out in the Corporate and Academic Governance Framework in place for the reporting period.

### Terms of Reference

In accordance with **Regulation 15(b)** of the Articles, an Audit Committee is established to act as a check on the effectiveness or otherwise of, *inter alia*, the company's procedures and processes, and the company's compliance with any legal or regulatory requirements.

The Audit Committee will normally meet every two months.

### Terms of Reference [Delegated by the directors]

Subject to the schedule of matters reserved to the Board of Directors (see **Section 2.2.14** above), the Audit Committee is responsible for:

- Recommending to the Board of Directors the co-opting of external members, if specific expertise is required and not available within the Audit Committee's current membership
- Establishing and implementing an Annual Audit Plan (which will be informed, in part, by the Corporate Risk Register) by no later than July each year to cover the subsequent 12-month period 1 August to 31 July
- Undertaking or commissioning the undertaking of internal audits (financial and non-financial, academic and non-academic), and assuming responsibility for monitoring implementation of any recommendations made
- Ensuring compliance with, and the effectiveness of, procedures and processes
- Ensuring compliance with the Financial Regulations and any associated policies and procedures
- Ensuring compliance with any legal or regulatory requirements
- Testing the processes and evidence that are used to inform the Key Performance Indicators set by the Board of Directors, and requiring the attendance of, and/or reports from, the Head of Quality and Compliance, the Academic Registrar, and/or the Data Analyst and/or any other member of staff
- Ensuring there are effective arrangements in place for the management and quality assurance of data, and requiring the attendance of, and/or reports from, the Academic Registrar, and/or the Data Analyst and/or any other member of staff
- Considering any causes of concern referred to it by the Board of Directors

- Requiring the attendance at any meeting of the Audit Committee of any executive director, member of staff and/or external academic advisor of the Academic Committee<sup>2</sup>
- Recommending actions to the Board of Directors if there are serious concerns that could affect future financial and/or non-financial corporate sustainability
- Meeting with the external auditors following the audit of the annual accounts to discuss any causes of concern raised by the external auditors
- Considering and approving an Annual Audit Report for presentation to the Board of Directors, that shall include:
  - a commentary on implementation of the Annual Audit Plan
  - an opinion on compliance with procedures and processes
  - an opinion on the adequacy and effectiveness of the company's risk management and control
  - an opinion on the adequacy and effectiveness of data management and quality assurance processes
  - a commentary on any causes of concern raised by the external auditors

**Note:** To ensure compliance with the Office for Students Regulatory Framework, Notices and Advice, the Annual Audit Report shall also include an opinion on the adequacy and effectiveness of arrangements to ensure:

- Funds are used for the purpose
- Value for money is secured

## Membership

To ensure the independence of the Audit Committee, the company's executive directors are excluded from its membership. The membership will comprise:

- Two independent non-executive directors (one of whom will act as Chair)

The Audit Committee has the power to recommend to the Board of Directors the co-opting of external members, if specific expertise is required and not available within the current membership.

The Audit Committee has the power to require the attendance of any executive director, member of staff and/or external academic advisor of the Academic Committee<sup>3</sup> at any of its meetings.

The Company Secretary provides secretariat services to the Audit Committee.

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<sup>2</sup> The external academic advisors shall include, for this purpose, any academic representatives from our awarding bodies.

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**Quorum**

No business other than the appointment of a Chair shall be transacted at any meeting of the Audit Committee if the persons attending it do not constitute a quorum. All members must be present to constitute a quorum.

If such a quorum is not present within fifteen minutes from the time appointed for the meeting, the meeting shall stand adjourned.