

The logo for Central Film School features the text 'Central Film School' in a bold, black, sans-serif font. The text is positioned to the left of a blue graphic element that consists of a vertical bar on the right side and a curved shape on the left side, resembling a stylized 'C' or a film strip edge.

**Central  
Film  
School**

**Central Film School**

**Audit Committee Policy**

## Table of Contents

<b>SECTION A – TERMS OF REFERENCE</b>	<b>2</b>
1. <i>Purpose</i>	2
2. <i>Composition</i>	2
<b>SECTION B – REMIT OF THE COMMITTEE</b>	<b>3</b>
3. <i>Corporate governance and internal control</i>	3
4. <i>Internal and external audit</i>	3
5. <i>Risk Oversight</i>	4
6. <i>Value for money</i>	4
<b>SECTION C – MEMBERS AND MEETING SCHEDULE</b>	<b>5</b>
7. <i>Appointed members:</i>	5
8. <i>Meetings</i>	5

## Section A – Terms of Reference

### 1. Purpose

Audit Committee has been appointed by the Board of Directors principally to form an opinion on Central Film School's internal control framework, and report to the Board on the adequacy and effectiveness of CFS's arrangements for:

- Risk management, control and governance;
- Financial reporting (i.e. the integrity of CFS's financial reporting arrangements, including the corporate governance statement and the statement of Board members' responsibilities as reported in the annual financial statements);
- Economy, efficiency and effectiveness (Value for Money);
- Data quality.

### 2. Composition

The Audit Committee will be convened at least once every 2-years by the BoD, usually conducting its review over a period of three months. The membership of Audit Committee will consist of at least four, and at most six members, nominated by the Board of Directors. At least two of the members will be members of the School's BoD but no more than one of the Board members on the Committee may be 'internal', in order to assure the independence of the Audit Committee.

The term of office of members will be for a maximum of two years or the length of time each Committee is convened – whichever is shorter. Previous members are eligible for re-appointment up to a normal maximum of three consecutive terms of office. All members of the Audit Committee are expected to declare any interests which may conflict with their responsibilities as members of the Audit Committee.

Other individuals from within or out with the School may also be invited to attend meetings from time to time to provide the Committee with information on specific items on the agenda.

## Section B – Remit of the Committee

### 3. Corporate governance and internal control

To keep under review the effectiveness of the School's corporate governance arrangements, and its financial and other internal control systems, including in particular the system of risk management, and to offer the BoD an opinion on these matters bi-annually.

To review the effectiveness of the arrangements for the investigation of questions of financial irregularity or impropriety, including being notified of any action taken under that policy.

To ensure compliance with the mandatory requirements in relation to the School's audit arrangements as set out in the Financial Memorandum between the School and the SFC.

On a bi-annual basis the Committee shall be responsible for reviewing the School's Annual Report and Accounts including the external auditor's formal opinion, corporate governance statements, and the statement of internal control and reviewing any changes in accounting policy, or statutory and other requirements and make recommendations to BoD accordingly.

To assess whether the School has in place sufficient measures to ensure it is upholding its public service principles as laid out in its Finance Regulations and Procedures Policy and other governing documentation and as stipulated by bodies such as the Office for Students.

#### 4. Internal and external audit

To communicate directly with the external auditors on audit approach, reporting timetable, findings and management's response.

To review the scope, effectiveness and performance of the external audit service on a bi-annual basis including its planning and operation with a view to obtaining an assurance on the quality of the work and reviewing the results of internal audit's annual report.

To report to the Board of Directors and be advisory to it: to receive and make recommendations to the Board in respect of plans prepared by external audit, the external audit's annual report.

To advise the Board on the criteria for the selection, appointment and remuneration of the external auditors and review the scope, effectiveness and performance of the external audit service on an annual basis and the quality of their work.

To consider any other audit related matters, including issues arising from reports of external bodies such as the National Audit Office.

To investigate such financial matters as is deemed necessary, whether or not these relate to issues of, or possible failures in, corporate governance.

## 5. Risk Oversight

To monitor the performance and activities of the Finance & Commercial Committee and report to the BoD, in particular:

- To advise the BoD on the adequacy and effectiveness of policies and procedures for risk management;
- To bi-annually review the School's approach to risk management and, if appropriate, recommend changes or improvements to key elements of its processes, policies and procedures;
- To provide a bi-annual statement to the Board of Directors in relation to effective risk management.
- To be responsible for the oversight of the assessment of strategic risks that threaten achievement of the School's objectives.

## 6. Value for money

To monitor and be satisfied that appropriate arrangements are in place to promote economy, efficiency and effectiveness and to receive a bi-annual report from management on such activities to enable it to offer Board an opinion on these matters bi-annually.

## Section C – Members and meeting schedule

- The quorum of Audit Committee will be three members.
- [ ] indicates that member's second or subsequent appearance in the committee's membership.
- The number in ( ) indicates length of continuous service in years, up to and including the 2019-20 session. Length of service is not indicated for ex officio, student members or observers.

## 7. Appointed members:

Mr Rory Curley – CEO

Mr Stephen Follows – Chair

At least two additional members, with the following competencies:

- Expertise in the legal framework of Higher Education in England & Wales

- Expertise in the HE regulatory environment, including governance and management arrangements
- Expertise in risk management and finance regulation

**Secretary:**

An individual independent of the organisation will be engaged to fulfil this role.

**8. Meetings**

The next scheduled meeting will be to take convene during Summer 2020.

Document Title:	CFS Audit Committee Policy & Procedure
Document Ref:	CFSACP_01
Version:	1.0
Issuing Authority:	CFS Academic Board
Author:	Rory Curley
Document Approval Date:	13/12/2019
Last Amended:	13/12/2019
Sensitivity:	Unclassified
Effective from:	13/12/2019
Review Date:	Prior to 2021-22 Academic Year
History:	First Published: 13/12/2019