



**LONDON ACADEMY FOR APPLIED TECHNOLOGY**

**LAAT**

**Audit, Risk and Finance Committee**

**Committee Handbook**

Board of Governors

Version 1.0 | June 2026

Prepared by: Md Aminul Islam Nahid, Bookkeeper / Committee Officer

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## 1. Overview

This handbook sets out the governance framework, operating procedures, and responsibilities of the Audit, Risk and Finance Committee (AR&FC) of the Board of Governors of the London Academy for Applied Technology (LAAT).

The AR&FC is a formal sub-committee of the Board of Governors, established to provide assurance to the Board on financial sustainability, internal control, risk management, and the integrity of internal and external audit arrangements. It supports the Board in discharging its responsibilities for financial governance ahead of LAAT’s Office for Students (OfS) registration.

<b>Committee Name</b>	Audit, Risk and Finance Committee (AR&FC)
<b>Parent Body</b>	Board of Governors, LAAT
<b>Version</b>	1.0
<b>Date Adopted</b>	2025
<b>Prepared By</b>	Md Aminul Islam Nahid, Bookkeeper / Committee Officer
<b>Review Due</b>	Annual – at first meeting of each academic year

## 2. Purpose and Remit

The Board of Governors delegates detailed oversight of financial reporting, internal control, risk management, and audit assurance to the Audit, Risk and Finance Committee.

The Committee aligns with the following external frameworks:

- CUC Code of Governance for Higher Education
- Office for Students (OfS) Regulatory Framework, including Conditions B2, D, E1–E3 and F
- Public Interest Governance Principles – specifically Accountability, Financial Sustainability, and Risk Management

### 2.1 Financial Sustainability and Stewardship

- Review the annual budget, financial statements, and long-term financial forecasts ahead of Board approval
- Monitor financial performance, cash flow, and institutional solvency on an ongoing basis
- Scrutinise major financial commitments, capital expenditure, and significant contracts
- Recommend the Annual Value for Money Statement to the Board

### 2.2 Internal Control and Financial Governance

- Review the adequacy and effectiveness of LAAT’s internal control environment

- Receive and scrutinise internal audit reports, tracking implementation of recommendations
- Monitor compliance with Financial Regulations, the Scheme of Delegation, and procurement controls
- Oversee the integrity of financial reporting and underlying systems

### **2.3 External Audit**

- Recommend the appointment, reappointment, or removal of external auditors to the Board
- Review the external audit plan, findings, and management responses
- Monitor auditor independence and the scope of any non-audit services

### **2.4 Risk Management**

- Review and challenge the institutional risk register at each meeting
- Ensure risks relating to financial sustainability, fraud, and regulatory compliance are identified, monitored, and mitigated
- Receive assurance on business continuity and operational risk arrangements
- Escalate material risks to the Board of Governors

### **2.5 Compliance and Risk**

- Ensure compliance with OfS financial conditions (B2, D, E1–E3, F) and related regulatory obligations
- Identify, monitor, and escalate financial and audit-related risks to the Board
- Ensure appropriate mechanisms exist for fraud reporting, whistleblowing, and dispute resolution on financial matters

### **2.6 Institutional Financial Conduct and Assurance Culture**

The Committee oversees the institution’s approach to financial conduct and control – the policies, behaviours, and assurance framework that underpin how LAAT manages public and institutional funds. This covers fraud prevention, whistleblowing on financial matters, induction of budget holders into financial control requirements, and the escalation culture around financial risk. The CFO is the designated owner of these financial control obligations, responsible for ensuring the relevant frameworks are in place, approved, and known to staff. Through the Audit, Risk and Finance Committee, the CFO’s work is overseen at Board level, providing a clear governance structure and assurance that LAAT’s financial control obligations are actively embedded across the institution rather than documented in isolation.

## **3. Terms of Reference**

The Terms of Reference (ToR) for the Audit, Risk and Finance Committee were formally adopted by the Board of Governors in 2025. The ToR establish the structure, roles, responsibilities, and operating procedures for the Committee.

Key provisions of the Terms of Reference are summarised below.

### 3.1 Composition and Membership

The Committee shall consist of at least three (3) members, the majority of whom must be Independent Governors appointed by the Board. The Chair of the Board may attend but shall not chair the Committee.

Role	Category	Status
Independent Governor	Governor	Chair
Independent Governor	Governor	Member
Independent Governor	Governor	Member
Chief Financial Officer (CFO)	Staff (In Attendance)	Member
Chief Executive / Principal	Staff (In Attendance)	As Required
External Auditor	External (In Attendance)	As Required
Internal Auditor	External (In Attendance)	As Required
Bookkeeper / Committee Officer	Secretariat	Member/Minute Taker

Members of the Committee shall collectively possess experience in financial management, audit, risk management, and higher education governance.

### 3.2 Quorum

Two (2) members will constitute a quorum, the majority of whom must be Independent Governors.

### 3.3 Meetings and Procedures

- Meetings shall follow a written schedule and documented minutes
- The Committee may establish sub-groups or task-and-finish working groups for specific financial or risk initiatives
- Committee members must declare any potential conflicts of interest and recuse themselves from relevant discussions or decisions
- The Committee shall operate transparently and maintain a record of its activities and decisions
- The Committee Officer shall provide administrative support and ensure proper documentation

### 3.4 Reporting

- The Committee shall report formally to the Board of Governors after each meeting
- Minutes shall be circulated to all Board members, except in cases of commercially sensitive matters

- An annual report summarising activities, financial oversight, and compliance shall be submitted to the Board

### **3.5 Review and Amendment**

These Terms shall be reviewed periodically by the Committee and submitted to the Board of Governors for approval to ensure they remain appropriate and compliant with evolving regulatory expectations and institutional needs.

## **4. Policies Owned or Overseen by the Committee**

The Audit, Risk and Finance Committee holds oversight responsibility for the following policy areas. Policies are recommended by the Committee to the Board of Governors for approval, and the Committee monitors their implementation. This list is not exhaustive: the Committee has oversight of all finance-related policies held in the LAAT Policy Locator. The policies set out below are those most material to the Committee's remit and to LAAT's Office for Students (OfS) registration.

Of particular importance for OfS registration are the Financial Regulations, the Risk Management Policy, the Fraud Policy, and the Value for Money Strategy.

### **4.1 Financial Governance Policies**

- Financial Regulations
- Procurement Policy
- Delegation of Authority Framework
- Treasury and Banking Policy

### **4.2 Audit and Assurance**

- Internal Audit Charter
- External Audit Engagement Terms
- Anti-Fraud and Anti-Bribery Policy

### **4.3 Risk and Sustainability**

- Risk Management Policy and Risk Appetite Statement
- Business Continuity Policy
- Value for Money Strategy

### **4.4 Whistleblowing and Governance**

- Whistleblowing Policy (financial matters)
- Scheme of Delegation

### **4.5 Risk and Governance**

- Financial and Audit Risk Register (monitored each meeting)

## 5. Reports Presented to the Committee

The following reports and documents are presented to the Audit, Risk and Finance Committee at each meeting or as specified. This list is not exhaustive, and further reports may be presented as required. All papers are to be circulated to Committee members at least five working days in advance of the meeting.

Document / Report	Owner	Frequency
Audit, Risk and Finance Committee: Terms of Reference	Chair / CFO	Annual
Internal Audit Tracker and Findings Report	CFO / Internal Audit	Each meeting
External Audit Findings Report	CFO / External Audit	Annual
Internal Controls Report	CFO	Each meeting
Financial and Audit Risk Register	CFO / Committee Officer	Each meeting
Financial Sustainability Report	CFO	Each meeting
Major Financial Commitments Report	CFO	As required
Value for Money Report / Annual VfM Statement	CFO / Committee Officer	Annual

Additional papers may be tabled at the discretion of the Chair where urgent business requires.

## 6. Frequency of Meetings

The Audit, Risk and Finance Committee shall meet at least four (4) times per academic year, or more frequently as determined by the Chair to support ongoing financial and risk oversight needs.

<b>Minimum Frequency</b>	Four (4) meetings per academic year
<b>Format</b>	In person (Tower Hill, London) with option of MS Teams for remote attendees
<b>Duration</b>	90 minutes (standard)
<b>Quorum</b>	2 members, the majority of whom must be Independent Governors
<b>Papers Deadline</b>	5 working days before each meeting
<b>Minutes Deadline</b>	10 working days after each meeting (draft to Chair for approval)

The Committee Officer is responsible for scheduling all meetings at the start of the academic year, issuing formal notices, circulating papers, recording minutes, and maintaining the action log.

## **7. Governance Role within LAAT's Structure**

The Audit, Risk and Finance Committee sits within LAAT's governance framework as a formal sub-committee of the Board of Governors. Its role is to provide assurance to the Board that LAAT is financially sustainable, well-controlled, and compliant with its regulatory obligations.

### **7.1 Relationship to the Board of Governors**

- The AR&FC reports directly to the Board of Governors after each meeting
- The Chair of the AR&FC presents a summary report and highlights at each Board meeting
- Matters requiring Board approval (e.g. annual accounts, external auditor appointment, Terms of Reference amendments) are recommended by the AR&FC
- The Annual Value for Money Statement is submitted to the Board once per academic year

### **7.2 Relationship to Senior Leadership**

- The AR&FC receives reports and presentations from the Finance function, Internal Audit, and External Audit
- The CFO is the principal staff contact and attends meetings in an advisory capacity
- The Chief Executive / Principal attends as required to provide institutional context

### **7.3 OfS Registration Context**

As LAAT works towards Office for Students (OfS) registration within the 2026–2028 period, the AR&FC plays a critical governance role in ensuring institutional readiness in the following areas:

- Audit readiness: financial statements, internal control documentation, and audit trails
- Formalised financial forecasting and scenario planning ahead of OfS review
- Financial infrastructure and reserves to support student numbers at registration stage
- Risk management maturity and measurable assurance outcomes

## **8. Committee Officer Responsibilities**

The Bookkeeper acting as Committee Officer is responsible for all administrative and governance support functions for the AR&FC. These responsibilities include:

### **8.1 Pre-Meeting**

- Agree agenda with the Chair at least 15 working days before the meeting
- Issue formal notice of meeting with date, time, location, and dial-in details
- Chase, collate, and quality-check all papers from presenters

- Circulate the agenda pack to all attendees at least 5 working days in advance
- Prepare attendance register and declarations of interest form

### 8.2 During the Meeting

- Record attendance and confirm quorum at the start of the meeting
- Take accurate minutes of all discussions, decisions, and actions
- Note action owners and deadlines as agreed by the Committee

### 8.3 Post-Meeting

- Draft and circulate minutes to the Chair for approval within 5 working days
- Issue approved minutes to all Committee members within 10 working days
- Maintain and circulate the action log at each subsequent meeting
- File all papers and minutes securely in the governance records system
- Support the Chair in preparing the report to the Board of Governors

## 9. Document History and Review

<b>Document Title</b>	Audit, Risk and Finance Committee – Committee Handbook
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<b>Date</b>	March 2026
<b>Author</b>	Md Aminul Islam Nahid, Bookkeeper / Committee Officer
<b>Approved By</b>	Chair, Audit, Risk and Finance Committee
<b>Next Review</b>	March 2027 (or following any material change to the Committee’s ToR or membership)

Any queries regarding this handbook should be directed to the Committee Officer: Md Aminul Islam Nahid (Bookkeeper).