

AUDIT AND RISK COMMITTEE
Tuesday 03 March 2026

DRAFT UNCONFIRMED MINUTES

Present:

Dr Alix Pryde (Chair)
Indy Hothi

Patricia Gallan
Jonathan Pears

James Hedges

In attendance:

Professor Colin Bailey
Dr Nadine Lewycky
Neil Thomas [internal audit]
David Wildey [external audit]

Dr Sharon Ellis
Jonathan Morgan
Lan Tu

Karen Kröger
Jane Pallant
Amy Warby [internal audit]

For m. 2025.037

Dr Sarah Morgan
Professor Alistair Robertson
Professor Wen Wang

Apologies:

Malcolm Hitching

Sue Ladell [external audit]

Welcome, apologies and declaration of interests

2025.036 The Chair welcomed everyone to the meeting and noted the apologies. No declarations of interests were made.

Deep dive on AI [ARC25/28]

2025.037 *Minute 2025.037 is confidential.*

Strategic Risk Register [ARC25/29]

2025.038 *Minute 2025.038 is confidential.*

Transparent Approach to Costing (TRAC) return 2024–25 [ARC25/30]

2025.039 The Committee **noted** the Transparent Approach to Costing (TRAC) return for 2024–25. The following points were noted in the discussion:

[a] The paper provided the Committee with assurance that the correct procedures had been followed in completing the TRAC return. The Committee would receive a paper benchmarking our position against our competitors once their data became available in the summer.

[b] The TRAC return determined the charge-out rates for indirect costs and estates, which were included in UK government research grant applications,

and through which the University recovered some of its indirect costs incurred in support of research. The estates rates had decreased due to a reduction in utilities costs. This would have an impact on the size of indirect costs we could put into future bids to UKRI.

Planned internal audit reports [ARC25/31]

2025.040 *Minute 2025.040 is confidential.*

Progress on actions from previous audits [ARC25/32]

2025.041 The Committee **considered** an update on progress on actions from previous audits. The following points were noted in the discussion:

- [a] During the scoping process for the budget setting and management and workforce planning reviews, it was proposed to combine the two audits and to use the time released to review fraud risk management in human resources. This would capture recent work in response to an incident last year involving employment fraud. The Committee **approved** the update to the internal audit plan.
- [b] There were six overdue actions at the time of the report. Three of these actions fell within business continuity, where the postholder had recently changed. The internal audit manager was liaising with the new action owner.
- [c] The Committee asked whether the number of revised deadlines was monitored and reported. Actions were considered overdue when the original deadline had been missed and revised deadlines were reported. There was a low number of overdue actions. The internal audit manager said that regular engagement with colleagues in the University helped to keep the actions on track.

Legal compliance report [ARC25/33]

2025.042 *Minute 2025.042 is confidential.*

Disclosures under the Whistleblowing Policy since the last meeting [ARC25/34]

2025.043 *Minute 2025.043 is confidential.*

Any allegations of fraud or financial irregularities since the last meeting [Oral report]

2025.044 *Minute 2025.044 is confidential.*

Minutes of the previous meeting [ARC25/35]

2025.045 The Committee **confirmed** the minutes of the meeting held on 04 November 2025.

Matters arising [ARC25/36]

2025.046 The Committee **noted** the matters arising. The following points were noted in the discussion:

HSE incident

[a] Minute 2025.046 is confidential.

US GAAP accounts

[b] The US GAAP accounts had been filed by the deadline following the process agreed by the Committee at the last meeting. We had employed a separate accounting firm with experience in US GAAP accounting requirements, to support the completion of the audit by BDO. The return consisted of the auditor's opinion on the financial statements and a report on internal control. The report had identified that we did not have sufficient knowledge of US GAAP in the Finance team, which was a typical finding for UK universities and did not impact the audit opinion. Based on the number of US funded students we had, we would need to complete the return every three years. The new audit partner from BDO had experience with US GAAP accounts and would sign off the next return with support from colleagues.

Draft agenda for the next meeting [ARC25/37]

2025.047 The Committee **noted** the draft agenda for the next meeting on 09 June 2026.

Annual review of auditor appointments [ARC25/38]

2025.048 *Minute 2025.048 is confidential.*

Dates of meetings in 2025–26:

➤ Tuesday 09 June 2026 at 1500 hours, Rooms 2.16/2.17, Department W.