

## Annual Report from the Audit & Risk and Finance Subcommittees

---

### Meetings & Membership

Due to the commonality of business throughout the year, the Audit & Risk and Finance subcommittees met jointly throughout.

Meetings were held in November, February and June and the members were: Oliver Laird (Chair - Audit & Risk), Isobel Walter (Chair - Finance), Lucy Murphy, Sophia Hartley, Charlotte Morton, Josh Smith, Charlotte Coleman, Simon Palmer, Glenn McCauley, Richard Napier, Harry Dunbar, Sreya Vadlamani, Roland Maposa, Glyn Saul (University representative) and Lance Sagar (University representative). The meetings were also attended by representatives from LUU's external and internal auditors.

### Terms of Reference

The Audit & Risk Committee ensures that LUU complies with all relevant laws and regulations and that an internal system of accountability is formally set up. It receives internal and external audit reports and considers their recommendations, as well as receiving regular reports on Health & Safety. The committee also considers appropriate methods of controlling LUU's activities (financial and otherwise) and analyses and manages the overall risk profile of the union.

The Finance Committee monitors LUU finances, including large-scale expenditure and budgeting. They scrutinise LUU financial results, commercial performance and spending to ensure financial sustainability while fulfilling strategic aims. They also have oversight of member activity through a regular update on club & society finances.

### Strategic Risks

Through an annual review the committees maintain oversight of the following relevant risk from our Strategic Risk Register:

**SR3:** Poor approach to financial, stock and data management procedures leads to losses through fraud, theft or breach of Data Protection legislation.

**SR4:** The cost base of LUU is significantly increased due to changes in legislation, such as the move to the National Living Wage and the increase in utility costs from the University

### Key areas of work

#### ***Financial Sustainability***

The committees have had a significant focus on LUU financial sustainability as a result of the impact of the COVID-19 coronavirus pandemic, including scrutiny of accounts and review of the budget proposal for 2021-22.

#### ***Audit***

The committees received and made recommendations based upon the external audit report for 2019-20, provided by Saffery Champness (LUU external auditor). Alongside this, the committee received a number of internal audit reports from RSM (LUU internal auditor) and adjusted the audit plan on the basis of key risk areas in the year, particularly focussing on cybersecurity.

***Risk Management***

The Strategic Risk Register continued to receive scrutiny from the committees, with extensive review at each meeting to ensure consistent consideration of the changing risks associated with the pandemic.