

## Lingnan University

### Audit Committee

#### *Terms of reference*

- a) To provide independent oversight on the adequacy and effectiveness of financial controls, internal controls and risk management systems.
- b) To carry out the following with regard to the external audit:
  - (i) Consider and make recommendations to Council on (a) the selection, appointment or re-appointment of external auditors, and the audit fee, and (b) the resignation or dismissal of external auditors, and any related issues;
  - (ii) Review and recommend for the Council's approval the annual financial statements and related financial reports, including the external auditor's formal opinion; and
  - (iii) Review and report to Council any problems and reservations arising from the audit, including a review of the management letter incorporating management responses, and any other matters the external auditors may wish to discuss.
- c) To carry out the following with regard to the internal audit:
  - (i) Consider and approve the triennium and annual internal audit plan, and any revisions on these from time to time, formulated by the Office of Internal Audit;
  - (ii) Review and assess the system of internal audit and its effectiveness, and where deems necessary, to approve the appointment of external personnel to perform internal audit works;
  - (iii) Receive and consider major findings of internal audit and management responses; and
  - (iv) Play a key role in the recruitment, the selection and appointment of the Director/Head of Internal Audit.
- d) To carry out the following with regard to risk management:
  - (i) Review and recommend for Council's approval a Statement of Risk Appetite for the University; and
  - (ii) Review and comment on the University's management of its risk management policy, system and process.

#### *Membership composition*

Chairman	:	One lay member of the Council who is not the Chairman of the Council and/or member of the Finance Committee
Members	:	Two lay members of the Council who are not members of the Finance Committee Not more than one co-opted member if deemed necessary by the Chairman
In attendance	:	Director of Finance Head of the Office of Internal Audit
Secretary	:	Secretary to the Council

#### *Membership*

Chairman	:	Mr CHUNG Kwok Keung Simon	鍾國強先生
Members	:	Ms CHAN Ka Chai Clara	陳家齊女士
		Mr LAW Lam Wai Barry	羅林渭先生
In attendance	:	Mr WOO Chun Tung Ian (Director of Finance)	胡振東先生
		Ms XU Xiao Michelle (Head of the Office of Internal Audit)	徐曉女士
Secretary	:	Mrs TSANG TAI Mo Oi Monica	曾戴慕愛女士