Audit Committee

Constitution

The committee has a minimum of five members, all of whom are to be non-executive directors of the company.

At least one member of the committee is selected for his or her capacity in financial matters under Article 27.2(f).

The members of the committee will appoint its Chair, whose period of office will be four years. A director's appointment to the Audit Committee will run concurrently with his or her term of office as a director of the Company.

The committee may also co-opt as a member a person, who, in the view of the committee, has capacity in commercial or financial matters. The period of co-option may be for a period of up to four years. The committee may co-opt the same person for a further four-year period. The committee may remove the co-opted person from the committee at any time.

The committee will have a quorum of three.

Committee Membership as at December 2010:

1. Mr John Ryan – Chair
2. Mr Brian Foster
3. Ms Jane Nelson
4. Mr Peter Walsh
5. Vacancy

A vacancy exists for a co-opted member who has no other relationship with UCAS

Terms of Reference

- To review the annual consolidated financial statements of the Company and its subsidiary companies to ensure that they comply with all relevant statutory requirements and appropriate accounting conventions.
- To keep under review the effectiveness of the financial and other internal control systems of the company as well as arrangements for the investigation of questions of financial irregularity or impropriety.
- To consider the appointment of the external and internal auditors, the audit fee, the provision of non-audit services by the external and internal auditors and any questions of resignation or dismissal of the external /internal auditors.
- To discuss, if necessary, with the external auditor before the audit commences the nature and scope of the audit.
- To review the external auditors' management letter and management's responses to it.
- To ensure compliance with company's financial regulations.

- To review the scope and effectiveness of the internal audit including its planning and operation, and to approve the annual internal audit plan.
- To receive internal audit reports and, in conjunction with the Company's officers, to monitor progress in implementing the recommendations made and resolving any differences. The internal auditor has the right to meet the Committee in private.
- To satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness.
- To consider the Company's Risk Assessment document.
- To receive reports from the Complaints Review Panel.
- To report as appropriate to the Board.
- To report annually to the Board on how the Committee has met its terms of reference.

The committee will meet at least twice a year.

Secretarial

Secretarial support to the Audit Committee will be provided by the Company Secretary.

In Attendance

The Chief Executive
The Director of Resources
The Company Secretary
External and Internal Auditors