UKMC Fraud and Audit Assurance Policy

Annex C

Date	Author	Summary of Changes	Version	Authorised
12/12/2025	Head of Finance	Realignment with processed student protection	1	Academic Board December 2025

Policy/Procedure Management and Responsibilities	
Policy/Procedure Owner	The policy is owned by the Head of Financeand supported by the Finance Department.
Equality Analysis	Academic Board
Authorised By	Academic Board
Effective From	December 2025
Next Review	July 2026
Version	1
Internal/External	Staff and Student
Document Location	UKMC | Policies and Legislation
Linked Documents Internal	
Dissemination Plan	This document will be distributed through the academic departments and stakeholders of programme design, approval, monitoring or termination.
Accessibility	**Alternative formats available on request** contact Quality@ukmc.ac.uk

CONTENTS

1 Purpose and Scope

This policy sets out the principles for preventing, detecting and responding to fraud, and for maintaining effective audit and assurance arrangements at UK Management College (UKMC). Its purpose is to ensure that the College operates with integrity, protects its financial and reputational assets, and upholds high standards of accountability in all areas of activity.

This policy applies to all staff, governors, contractors, agents and partners acting on behalf of the College. It establishes expectations for ethical behaviour, responsible financial stewardship and prompt reporting of concerns. It also outlines the role of senior officers and governance bodies in providing oversight and ensuring that appropriate assurance processes are in place.

This policy operates alongside other internal documents, including the Conduct and Ethical Integrity Policy, the Financial Integrity and Anti-Money-Laundering Policy, the Finance Strategy, and relevant internal procedures relating to fraud response, internal audit and financial controls. These documents together form the College's overall system for safeguarding integrity and ensuring that risks are identified, managed and addressed appropriately.

Together with Annex A (Conduct and Ethical Integrity Policy) and Annex B (Financial Integrity and Anti-Money-Laundering Policy), this policy forms a core part of the College's wider system for internal control, financial governance and fraud prevention.

2 PRINCIPLES OF FRAUD PREVENTION AND ASSURANCE

UKMC is committed to fostering a culture of honesty, accountability and transparency in all of its operations. Fraud, financial misconduct and other forms of dishonesty undermine the integrity of the College and will not be tolerated. All members of the College community share responsibility for preventing fraud by acting ethically, reporting concerns promptly and following established internal policies.

The College seeks to prevent fraud through clear leadership expectations, appropriate internal controls, proportionate risk management and transparent decision-making. Senior officers are responsible for ensuring that financial processes are robust, that risks are monitored, and that systems are designed to reduce opportunities for fraud or misuse of resources.

Audit and assurance activities form an essential part of the College's governance arrangements. These activities provide independent and objective evaluation of financial controls, risk management processes and compliance with internal policies. Internal audits help identify weaknesses, support continuous improvement and reinforce accountability across the institution.

These principles apply across all areas of college activity, including financial transactions, procurement, recruitment, partnership arrangements and the safeguarding of assets. Individuals must exercise sound judgement, remain alert to potential risks and act promptly where concerns arise.

3 FRAUD PREVENTION AND DETECTION

Fraud can take many forms, including deception, misrepresentation, misuse of assets, unauthorised transactions or the manipulation of financial information. All staff and representatives of the College must act with integrity and remain alert to the risk of fraud in their areas of responsibility.

UKMC seeks to prevent fraud by maintaining effective internal controls, ensuring that financial information is accurate, and promoting high standards of ethical conduct across all departments. Staff must follow established procedures for authorising transactions, safeguarding assets, recording financial information and managing third-party relationships.

Managers have a responsibility to identify areas where fraud risks may arise and to ensure that reasonable measures are in place to mitigate those risks. This includes applying appropriate checks, maintaining clear segregation of duties where possible and ensuring that staff are aware of the standards expected of them.

Where concerns or suspicions of fraud arise, individuals must report them promptly through the appropriate channels. Reports made honestly and in good faith will be treated fairly and sensitively, in line with internal College procedures. No member of staff should investigate suspected fraud independently. Concerns involving suspected financial crime or suspicious transactions must be escalated to the College's Money Laundering Reporting Officer (MLRO) in accordance with Annex B.

4 AUDIT AND ASSURANCE OVERSIGHT

Audit and assurance activities support the College's commitment to effective governance and financial integrity. These activities provide independent and objective evaluation of internal controls, risk management processes and compliance with college policies.

The internal audit function operates to assess whether financial systems and procedures are working as intended, whether controls are proportionate to the risks faced by the College and whether improvements may be required. Audits may examine financial transactions, procurement, partnership arrangements, controls testing, data integrity and the safeguarding of assets, with priorities determined proportionately based on risk.

Findings from audit and assurance activities are reported to senior officers and the relevant governance committees, which consider any actions required to strengthen controls or address areas of concern. Managers are responsible for ensuring that agreed actions arising from assurance activity are implemented within their areas of responsibility.

Audit and assurance processes complement, but do not replace, the day-to-day responsibilities of staff and managers for maintaining accurate records, following procedures and acting with integrity. Together, these arrangements support a robust internal control environment and help protect the College from financial and organisational risks.

5 Roles and Responsibilities

Safeguarding the integrity of UKMC's financial and governance systems is a shared responsibility. All staff, managers and representatives must understand their roles in preventing, identifying and reporting fraud and in supporting effective audit and assurance arrangements.

5.1 All Staff

All employees and representatives must:

- act honestly and transparently in all activities.
- follow internal financial and governance procedures.
- remain alert to the risk of fraud or irregularities; and
- report concerns promptly through the appropriate channels.

5.2 Managers and Senior Staff

Managers are responsible for:

- promoting good practice within their teams.
- ensuring that staff understand and comply with relevant policies.
- identifying areas of potential risk; and
- responding appropriately to concerns escalated by staff.

5.3 Senior Officers with Oversight Responsibilities

Designated senior officers are responsible for:

- overseeing the College's fraud prevention and assurance arrangements.
- ensuring that proportionate internal controls are in place.
- considering audit findings and agreeing appropriate actions; and
- reporting significant issues through the College's governance structure.

5.4 Governance Committees

Relevant committees provide strategic oversight of fraud prevention and audit assurance by:

- reviewing assurance reports and findings.
- monitoring the effectiveness of internal controls; and
- seeking assurance that risks are managed appropriately.
- receiving escalated concerns relating to fraud, internal control weaknesses or significant audit findings and ensuring appropriate reporting to the Board of Directors.

These responsibilities support a culture of integrity and accountability across the College.

6 Reporting and Assurance Arrangements

Staff and representatives of UKMC must report any concerns relating to suspected fraud, financial irregularities, misuse of assets or weaknesses in internal controls. Concerns should normally be raised with a line manager or the relevant senior officer responsible for financial integrity. Where an individual feels unable to raise a concern through local channels, they may do so under the College's whistleblowing or public interest disclosure arrangements.

Reports made honestly and in good faith will be treated sensitively, and individuals will not face disadvantage for raising legitimate concerns. Staff must not investigate suspected fraud independently.

Assurance information arising from internal audits, risk assessments or other oversight activity is reported through the appropriate governance channels. Senior officers and committees review this information to identify trends, consider whether additional controls are required and ensure that agreed actions are completed. These arrangements help maintain effective oversight of financial integrity and organisational risk.

7 CONCLUSION

This policy sets out the principles that guide UKMC's approach to preventing fraud and maintaining effective audit and assurance arrangements. By following these principles, staff and representatives help to protect the College's assets, ensure accountability in financial and organisational decisions and support a culture of integrity and good governance.

These arrangements form an essential part of the College's wider system of internal control and risk management.

This policy should be read alongside the Governance and Management Framework, which defines the governance bodies responsible for oversight of assurance, audit and risk management.