



英基學校協會
ENGLISH SCHOOLS FOUNDATION

APPENDIX 37

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23 December 2004

Ms. Miranda Hon
Public Accounts Committee
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Ms. Hon,

**The Director of Audit's Report on the
results of value for money audits (Report No. 43)**

Thank you for your letter of 22 December 2004 concerning the ESF Audit Committee. This was approved at the Executive Committee meeting held on 23 November 2004.

I attach the paper considered by the Executive Committee which sets out the powers and duties of the Audit Committee.

With respect to the reporting line, the Audit Committee will report to the Executive Committee (see item 1.8 of the attachment). Audit Committee will also recommend to the Foundation the appointment or re-appointment of the external auditors (see item 1.4 of the attachment).

I trust that this meets your requirements.

Yours sincerely,

John Bohan
Acting Chief Executive

c.c. Secretary for Education and Manpower
Permanent Secretary for Education and Manpower
Director of Audit

建立優良教育 承擔香港未來
COMMITTED TO HONG KONG'S FUTURE AND
TO EXCELLENCE IN EDUCATION

**EXECUTIVE COMMITTEE MEETING
ON 23 NOVEMBER 2004**

**FOR DISCUSSION AND DECISION
ON THE FORMATION OF AUDIT COMMITTEE
(to be established by the Executive Committee)**

I. POWERS AND DUTIES

1. To keep under review the effectiveness of the ESF's management, financial, risk management, and other internal control systems for ensuring accountability, probity, regularity, value for money, efficiency and economy.
2. For this purpose to examine the annual accounts and to monitor the implementation of approved recommendations of internal and external audit reports.
3. To monitor the scope and effectiveness of the work of the internal audit service, including its planning and operation of the work and results incorporated in its reports.
4. To recommend to the Foundation the appointment or re-appointment of the external auditors.
5. To consider with the external auditors the scope of their audit and subsequently the results thereof.
6. To consider any other audit related matters, including issues arising from reports of external bodies such as the Government's Audit Commission and the Public Accounts Committee of the Legislative Council.
7. To investigate such other matters as it deems necessary to ensure the compliance of the highest standards of corporate governance.
8. To report to the Executive Committee at least annually on the adequacy and effectiveness of the ESF's management and financial control systems.

II. MEMBERSHIP

1. The Chairman, to be appointed by the Executive Committee from amongst those lay members with audit, financial or accounting experience.
2. Two members, appointed by the Executive Committee.

III. OFFICERS IN ATTENDANCE

1. Acting Secretary and Chief Executive / Chief Executive
2. Financial Controller

15 Nov 2004