



3 June 2010
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ANNUAL ACCOUNTABILITY EXCHANGE

An action arising from the HEFCE Assurance Review which was undertaken at the University of Cambridge in June 2008 was that there should be an Annual Accountability Exchange. I undertook the first Exchange on 26 March 2010. It comprised meetings with the Chair of Council's Audit Committee, the Registry and the Director of Finance. I prepared for these meetings by reading the University's Annual Accountability Returns for 2008/09 and minutes from March 2009 to January 2010 of Council, Audit Committee, Finance Committee (and its Business Sub-Committee) plus the Fourteenth Report of the Board of Scrutiny.

My overall conclusion is the same as that from the original HEFCE Assurance Review in June 2008: that HEFCE is able to place reliance on the University of Cambridge's accountability information. The report of the HEFCE Assurance Review in June 2008 described certain differences between the University's model of corporate governance and that recommended by the Committee of University Chairs in its "Guide for Members of Higher Education Governing Bodies in the UK". These points of difference remained at the date of the Exchange.

I have recorded in the Annex to this letter some observations arising from the Exchange. It would be helpful if you would arrange for a University response to these matters to be entered on the Annex and returned to me so that they can be readily followed up at the time of the next Exchange.

I am most grateful to the University representatives who met me for their helpfulness and to Alison Heyn who made excellent administrative arrangements for the Exchange.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Julian Knight".

Julian Knight
Assurance Consultant (East of England Region)