

Deloitte.

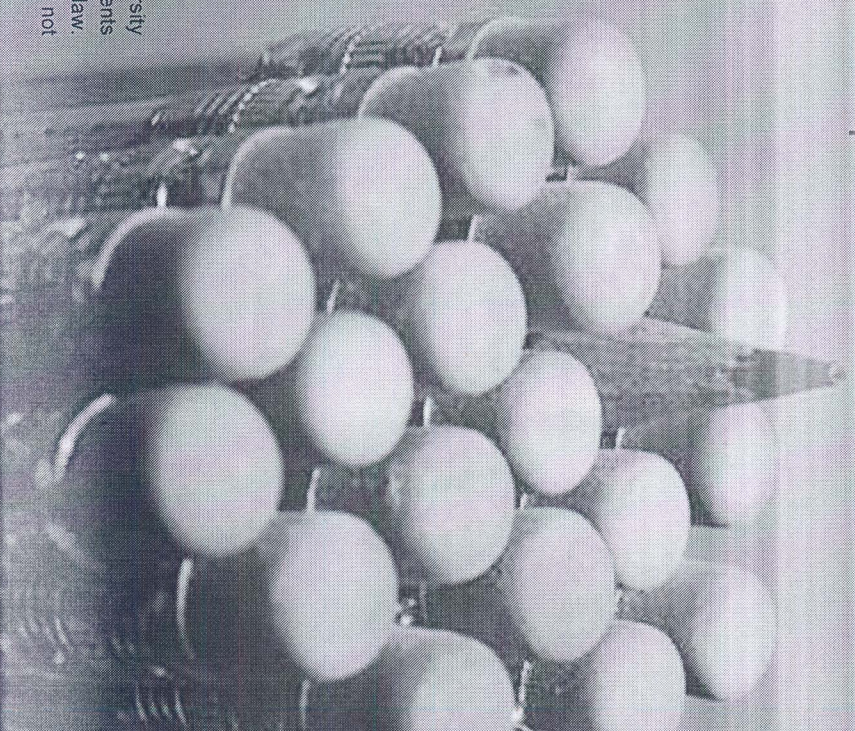
University of Glasgow

Internal Audit Update and 2007/08 Annual Report

Audit Committee Meeting

5 November 2008

This report and the work connected therewith are subject to the Terms and Conditions of the contract between University of Glasgow and Deloitte & Touche LLP. The report is produced solely for the use of University of Glasgow. Its contents should not be quoted or referred to in whole or in part without our prior written consent, except as required by law. Deloitte & Touche LLP will accept no responsibility to any third party, as the report has not been prepared, and is not intended for any other purpose.



Annual Internal Audit Report

Report to the Audit Committee

As Internal Auditors we are required to provide the Audit Committee with an Annual Internal Audit Report. The University Court and its management are responsible for ensuring that a system of control, financial and otherwise, is established and maintained. This is in order to carry on the operations of the University in an orderly and efficient manner, to ensure adherence to management policies, to safeguard the assets, and to secure, as far as possible, the completeness and accuracy of records. Our responsibility as internal auditors is to evaluate significant systems and associated internal controls and to report to the Audit Committee on the adequacy of such controls and systems. We cannot examine the whole system of controls, financial or otherwise, nor is Internal Audit a substitute for management's responsibility to maintain adequate systems of internal control over financial and operational systems.

In considering our assessment of the framework of controls we have taken the following into consideration:

- results of audits undertaken during the year;
- follow up action taken in respect of previous year's audit work;
- our perception of the extent of risk and control awareness amongst the staff and management of University of Glasgow.

On the basis of work undertaken for the year ended 31 July 2008 we consider that University of Glasgow generally has an adequate framework of control over the systems we examined as summarised on page 4 (subject to implementation of the recommendations). In providing such an assessment we would draw to your attention our summary findings as presented in our individual reports issued throughout the year and particularly the Priority One recommendations.

We take responsibility for this report, which has been prepared on the basis of the limitations set out on page 14.