



BOARD OF GOVERNORS AUDIT COMMITTEE

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT STRODE'S COLLEGE ON WEDNESDAY 6 JUNE 2018

		<u>Meeting Attendance</u>
PRESENT:	Stuart Taylor (Chair)	(4 out of 4)
	Tina Coates	(4 out of 4)
	Daljit Bains	(3 out of 4)
	Gurpreet Nizzar	(3 out of 4)
IN ATTENDANCE	Kate Webb (Group Principal & Chief Executive)	
	Graham Try (Deputy CEO)	
	Pankaj Makwana (Head of Finance)	
	David Bradshaw (Head of Student Data Services)	
	Hugh Swainson (Buzzacott)	
	Lisa Smith (RSM UK)	
	Rakesh Shaunak (MacIntyre Hudson)	
CLERK	Lynn Payne	(4 out of 4)

PART I

MINUTE No

ACTION

The meeting started at 6pm.

1. Apologies for Absence
Apologies were received from Peter Tyndale.
2. Declarations of Interest
No Member declared a conflict of interest with the agenda.
3. Minutes of the Previous Meeting Held on 31 January 2018
The minutes of the meeting of the 31 January 2018, having previously been circulated to all members, were agreed as a true record and signed by the Chair.
All Members were agreed.
4. Matters Arising of the Previous Meeting held on 31 January 2018
It was noted that all matters arising would be covered within the agenda or had been actioned.
5. Standing Agenda Items
 - a) Risk Management Action Plan 2017/18
This item was presented by the Group Principal who went through the key risks monitored by the Committee. She paid particular attention to the risk relating to the recruitment of learners in 2017/18 and future years, including the impact from Brexit and in turn, the impact on the College's Financial Forecast and financial health and viability. The other key risks were highlighted and discussed.
noted. **Members noted the update.**
 - b) Notification of Incidents of Attempted or Actual Fraud Identified
The Deputy CEO noted that there were no items to report in the Part I Minutes.

MINUTE

No

c) Log of Outstanding Recommendations From Internal and External Audit Reports
Members noted the progress with regard to implementation of previous audit recommendations.

6. Internal Audit Report

This item was presented by Rakesh Shaunak from MacIntyre Hudson. Members were delighted to note there was a 'full assurance' provided by the Auditors in all three internal audits conducted recently. These were, key financial controls, administrative functions and staff performance management.

The Committee congratulated management on the excellent outcome in these areas.

7. External Audit Strategy For Year Ending 31 July 2018

Hugh Swainson from Buzzacott went through the proposed external audit strategy for the year. This was a comprehensive report, **which was noted.**

8. Mock Funding Assurance Review

This item was presented by the Deputy CEO. He said that the College had commissioned this and it demonstrated good oversight and governance of funding data by the Committee. Members were asked to consider the outcome of the mock funding assurance review that had been carried out by RSM and the actions that had now been put in place. He reminded members that the College had been selected for the ESFA/PFA audit around the time of the merger, but made representations to move it to after merger.

The Deputy CEO said it has been four years since the previous audit, which looked at the College funding and advised Members it was a very vigorous check.

Lisa Smith from RSM went through the items identified. She said there was much uncertainty regarding the audit requirements of the new Apprenticeship regime in the sector. The Group Principal said it was a high risk area and the PFA audit could claw back funding. She said in the light of merger and new apprenticeships it was felt prudent to have this mock audit, and she was pleased it had been done and the issues arising from it could be addressed at this stage. It was agreed to sharpen up the risk of this matter on the Risk Register, especially in relation to Apprenticeships. It was also agreed that governance of funding data be brought to the Board via the Risk Register and the next Development Day for Governors to be aware of the work ongoing.

The report was noted.

9. Audit Review of College 2015/16 Higher Education Learner Numbers by the Office for Students

This item was presented by the Deputy CEO. Members were asked to consider the outcome of the audit review by the Office for Students, of the College's 2015/16 Higher Education student number return. The Deputy CEO explained how the audit was carried out and the process used. He detailed the findings from the audit and the actions to improve the College's HE student record returns.

The report was noted.

10. Post-16 Audit Code of Practice

This item was presented by the Deputy CEO. Members were asked to consider and note the updated post-16 Audit Code of Practice from the Education & Skills Funding Agency. It was noted that one of the updates required that Staff Governors should not be Members of an Audit Committee. Members had discussed this earlier in the agenda, but agreed that the two Staff Governors would end their term on the Audit Committee in this academic year.

All Members agreed.

11. Committee Terms of Reference

This item was presented by the Clerk. Following the discussion in the last item, Members considered the Terms of Reference for the Committee and agreed to add to the terms that Staff Governors should not be Members of the Audit Committee. It was also agreed to reduce the number of Members on the Audit Committee to 4, with a

ACTION

**Group
Principal**

**Refer to
Corporation**

MINUTE

No

quorum of 2.

All Members were agreed.

12. Evaluation of Meeting

Members were pleased to complete an evaluation of the meeting, highlighting where they felt they had added value and made appropriate challenge.

13. Dates and Times of Future Meetings

Dates and times of future meetings were noted as:

Scheduled for 6pm at Strode's College on: Tuesday, 27 November 2018

Wednesday, 30 January 2019

14. Any Urgent Business

No other business was raised.

ACTION

The meeting ended at 7pm.