



BOARD OF GOVERNORS AUDIT COMMITTEE

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT STRODE'S COLLEGE ON WEDNESDAY 27 NOVEMBER 2018

		<u>Meeting Attendance</u>
PRESENT:	Stuart Taylor (Chair)	(1 out of 1)
	Tina Coates	(1 out of 1)
	Peter Tyndale (by phone)	(1 out of 1)
	Rob Lewis	(1 out of 1)
IN ATTENDANCE	Kate Webb (Group Principal & Chief Executive)	
	Graham Try (Deputy CEO)	
	Hugh Swainson (Buzzacott)	
	Rakesh Shaunak (MacIntyre Hudson)	
CLERK	Lynn Payne	(1 out of 1)

PART I

MINUTE No

ACTION

The meeting started at 6pm.

1. Election of Chair & Vice Chair for 2018/19
Members unanimously agreed to appoint Stuart Taylor as Chair and Peter Tyndale as Vice Chair.
2. Apologies for Absence
There were no apologies for absence.
3. Declarations of Interest
No Member declared a conflict of interest with the agenda.
4. Minutes of the Previous Meeting Held on 6 June 2018
The minutes of the meeting of the 6 June 2018, having previously been circulated to all members, were agreed as a true record and signed by the Chair.
All Members were agreed.
5. Matters Arising of the Previous Meeting held on 6 June 2018
It was noted that there were no matters arising.
6. Standing Agenda Items
 - a) Risk Management Action Plan 2018/19
This item was presented by the Group Principal. Members were advised of the key risks that would be monitored by the Committee. It was agreed that the risk relating to bank covenants, discussed at the development day was still key as overspending in the 2018/19 budget had the risk of breaking the loan covenants. This was discussed. The summary of high risks were considered in detail and **the report was noted.**
 - b) Notification of Incidents of Attempted or Actual Fraud Identified
The Deputy CEO advised that there were no items to report in the Part I Minutes.

MINUTE

No

ACTION

c) Log of Outstanding Recommendations From Internal and External Audit Reports

The Deputy CEO informed members that the outstanding items had all been signed off by the internal auditor and were confirmed in the internal auditor's report.

7. Post External Audit Management Letter and 2017/18 Financial Statements

This item was presented by the Deputy CEO and Hugh Swainson from Buzzacott. Members were asked to consider the external auditor's post audit management letter and 2017/18 financial statements and recommend them to the Board for approval. Members were advised that the external auditor's management letter and 2017/18 financial statement were due to be considered by the Resources Committee and this Committee prior to approval by the Board. The Deputy CEO said there was only a £7k net difference between the final operating position now reported for 2017/18, compared to the financial forecast that was approved by the Board in July 2018. It was noted the final position was expected to achieve an ESFA financial health assessment of "Good", which was in line with the July financial forecast assessment. It was noted there were no significant concerns or weaknesses identified in the external auditor's post-audit management letter. The achievement of "Good" financial performance and audit controls was fundamental to the Colleges performance, stability, reputation and ability to develop and improve further in the future.

Hugh Swainson presented a full report on the financial statements and post audit management letter.

Members were pleased to recommend these to the Board for approval.

Refer to Corporation

8. Annual Report of the Audit Committee

This item was presented by the Deputy CEO. Members were asked to approve the content of the Audit Committee's annual report to the Corporation in the context of approving the College's annual Financial Statements. The report was considered at length. Members agreed to:

1. recommend to the Board the Audit Committee's opinion to the Corporation Board, particularly the adequacy and effectiveness of the College's systems of internal control and the arrangements for risk management control and Governance processes and securing economy, efficiency and effectiveness.
2. recommend the Corporation responsibilities included in the annual financial statements had been satisfactorily discharged, particularly in relation to Corporate Governance and Risk Management
3. the appointment of Macintyre Hudson as the College's internal auditors for the year 2018/19.

All Members were agreed.

Refer to Corporation

Refer to Corporation

Refer to Corporation

9. Internal Audit Services Plan 2018/19

This item was presented by the Deputy CEO and Rakesh Shaunuk. Members were asked to consider the draft Internal Audit Plan for 2018/19 and recommend it to the Board for approval.

The report detailed the items in the draft Internal Audit Plan for 2018/19. It was noted the same number of days were proposed for this year as for last year. The content of the Internal Audit Services Plan had been recommended by the internal auditor and considered in detail by the Group Principal and Deputy CEO. Members asked for reference to be included in the internal assurance framework section of the plan, to show which committee was covering each area and that there was a mapping, to show all the areas requiring audit and the dates that these had been done. It was felt numbering would be useful.

It was agreed to recommend the Internal Audit Services Plan 2018/19 to the Board for approval.

Deputy CEO

Refer to Corporation

MINUTE
No

ACTION

10. Whistleblowing Policy & Procedure
This item was presented by the Group Principal. Members were asked to consider and recommend to the Board the Whistleblowing Policy, which had been based on the AoC model from April 2018. The Whistleblowing Policy was discussed.
Members agreed to recommend it to the Board for approval.
11. Committee Self Assessment
This item was presented by the Clerk. Members were asked to consider the Corporation Performance Indicators and comment on the extent to which the Committee had contributed to them and make a report to the Board.
All Members considered the points and they were agreed.

Members were asked to consider the Committee Terms of Reference and agree whether the terms had been complied with. Members considered the terms of Reference, agreed they had been complied with and recommended them to the Board for approval.
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: Thursday, 31 January 2019
Wednesday 5 June 2019
14. Any Urgent Business
No other business was raised.

**Refer to
Corporation**

**Refer to
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Corporation**

The meeting ended at 7.25pm.