

MINUTES OF THE AUDIT COMMITTEE
HELD ON TUESDAY 17 SEPTEMBER 2024
AT 5pm IN THE EXCHANGE BOARD ROOM AND VIA MICROSOFT TEAMS

PRESENT:

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| Taiyab Sufi | Member (Chair) |
| Dr Fazal Dad | Principal and Chief Executive |
| David Swift | Member |
| Sharjeel Salahuddin* | Co-opted Member |

IN ATTENDANCE:

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| Jennifer Eastham | Vice-Principal: Finance and Corporate Services |
| Kashif Azeem* | RSM - Internal Audit |
| Imtiyaz Patel | I.T. Services Manager (for Item 1) |
| Sarah Horeesorun | Director of Governance |

* indicates participating via Microsoft Teams

The meeting commenced at 5pm and was quorate.

Since the last Committee meeting in June, the Chair, Chris Johnson, had resigned from his position as Governor on the Corporation Board and Chair of the Audit Committee. Members were permitted to agree a Chair from within their membership, per the Instruments and Articles. Members had agreed for Taiyab Sufi to Chair this meeting.

The Principal and Chief Executive informed members that he and the Chair of the Corporation Board had written to Mr Johnson thanking him for his support of the College and for Chairing the Audit Committee. Members wished to send a note of thanks and extend best wishes to Mr Johnson and asked that the Director of Governance write on their behalf.

ACTION: Director of Governance

The Chair welcomed everyone, extending a special welcome to those joining online.

1. PRESENTATION:

The Committee thanked Imtiyaz Patel for the presentation. Imtiyaz Patel left the meeting at 17.23pm.

2. APOLOGIES FOR ABSENCE

Apologies were received in advance from Lisa Randall and Max Hutchinson (RSM).

3. DECLARATION OF CONFLICTS OF INTEREST

The Chair advised those in attendance that should members of the Audit Committee become aware of any potential conflicts of interest, they should be disclosed at the earliest opportunity during the meeting.

4. MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON TUESDAY 4 JUNE 2024

Having canvassed the Committee, and in the absence of any comment, the Minutes of the Audit Committee held on Tuesday 4 June 2024 were **AGREED** as a true and accurate record.

5. MATTERS ARISING

There were no Matters Arising.

6. REGULARITY AUDIT SELF-ASSESSMENT QUESTIONNAIRE

The Vice-Principal: Finance and Corporate Services explained that the Board was required to make a statement on regularity, propriety and compliance with the annual financial statements.

To support the Board in making this assessment and to ensure completeness, the College had completed a self-assessment questionnaire. This provided clarity over the framework, including the funding bodies' interpretation of the key requirements and the type of evidence that should be considered.

The questionnaire must be completed and submitted to Beever and Struthers, the College External Auditors, to review as part of their year-end work. Beever and Struthers visit, test and provide their Audit opinion. A copy of the Regulatory Audit Self-Assessment Questionnaire must be signed by the College Accounting Officer and Chair of Governors in advance of the accounts being signed off.

7. ANNUAL REPORT OF THE AUDIT COMMITTEE 2023/24

The Post-16 Audit Code of Practice (ACoP) sets out the specific requirements for assurance, accountability and audit arrangements for Colleges and the broad framework in which they should operate.

The ACoP states that the College Corporation must set out clear Terms of Reference for the Audit Committee, one of which was to produce an Annual Report, summarising the Committee's activities relating to the financial year under review. This report was also shared with the ESFA to assure them that the College is compliant with the ACoP.

The Vice-Principal: Finance and Corporate Services explained that she had collaborated with the Director of Governance to produce the draft Report at Appendix One.

Having reviewed the Report, the Committee agreed that it was an accurate reflection of the Committee's business and **AGREED** to recommend the Annual Report of the Audit Committee to the Corporation Board for approval.

8. INTERNAL AUDIT REPORTS – OUTCOMES, PROGRESS AND FOLLOW-UP

Kashif Azeem, RSM, talked the Committee through the key points of the following Reports, referring members to the full Reports in their meeting papers.

The Chair thanked Kashif Azeem for the Reports.

9. INTERNAL AUDIT – ACTION POINT STATUS

This Report provided the Audit Committee with an update on progress towards the completion of recommendations following the Internal Audits that had been undertaken by RSM in 2023/24. No Internal Audit assignments had yet been completed in 2024/25.

A member commented that good progress had been made and it was agreed that the Report provided good assurance.

The Committee noted the update on the content of the Report.

10. AUDIT PERFORMANCE INDICATORS 2023/24 UPDATE & PROPOSED FOR 2024/25

The Vice -Principal: Finance and Corporate Services presented an update on the Audit Performance Indicators for 2023/24 which assisted the Committee in assessing risk. The detail was supplied in Appendix One.

The Audit Committee noted the performance against the approved performance indicators for 2023/24 and **AGREED** for the same performance indicators to be used for 2024/25.

11. RISK MANAGEMENT ANNUAL REPORT

The Committee considered the Report which summarised the College's risk management for 2023/24.

The Vice-Principal: Finance and Corporate Services informed members that there had been no new risks added and that the risk around Effective and Sustainable Institutional Governance being in place had been removed as the score had reduced to a low level.

In discussion, Members noted the key risks during the year and the mitigating controls.

Having reviewed and discussed this Report, the Committee **AGREED** to recommend the Risk Management Annual Report to the Corporation Board for approval.

12. RISK MANAGEMENT - RISK REGISTER 2024/25

Following on from Item 12, the Committee, in its role to regularly review the potential risks to the College operations and strategic direction, discussed the issues to be included in the College Risk Register for 2024/25.

The risk rating for each risk was determined using the Board approved Risk Management Policy. Using the RAG rating, the Committee noted that three risks were currently rated as red and were satisfied with the mitigating actions and controls in place to effectively manage these. For 2024/25 there were no new risks added.

Committee members agreed with the changes and **AGREED** the Risk Register.

13. AUDIT SCHEDULE 2024/25

This Report was provided to the Audit Committee for information and contained the dates and details of both the Internal and External Audit schedules for 2024/25.

The Committee noted the content of the Report.

14. DATA RETURNS MONITORING REPORT 2023/24 & 2024/25

This Report was provided for information and confirmed that funding and data returns had all been submitted on time for 2023/24 and the dates for returns 2024/25. A member made a comment on the extraordinary amount of data returns and the Vice-Principal: Finance and Corporate Services confirmed that data demands were immense and complex in the sector.

Members noted the content of this Report.

15. ANY OTHER BUSINESS

There were no items discussed under Any Other Business.

16. REVIEW OF MEETING

The Chair thanked everyone for their contributions to the Committee discussions.

The meeting closed at 6.45pm.

17. DATE AND TIME OF NEXT AUDIT COMMITTEE MEETING

Tuesday 19 November 2024 at 5.00pm.

Signed:
Date: