

Audit Committee Meeting

Mon 21 November 2022, 08:30 - 10:00

Attendees

Board members

David Watling (Interim Financial Director), Dave Vasse (Principal), John Kirk (Interim Clerk), Kwame Amoako-atta (Chair), Pauline Odulinski (Observer), Sara Whittaker (Member), Angela Foster (Member (non-teaching staff)), Tim Stockings (Member), Sudhir Singh, MacIntyre Hudson (External Auditor), Paul Goddard, Scrutton Bland (Internal Auditor)

Meeting minutes

1. Apologies for Absence and Quoracy

Apologies were received from Jamie Davies. The meeting was declared quorate

Information

Kwame Amoako-Atta

2. Declarations of Interest

None were declared

Kwame Amoako-Atta

3. Minutes of the Previous Meeting

To approve the minutes as a true and accurate record.

The minutes were approved as a true and accurate record

 Draft Minutes 28 06 22 approved for circulation.pdf

Decision

Kwame Amoako-Atta

4. Matters Arising

Any matters arising from the minutes not covered elsewhere in the agenda

It was observed there was an action for DV to produce an outline of consequences for the college after the ONS had published its decision on recategorization.

DV noted that the announcement is due later this month. There will be a webinar on the possible impacts of reclassification prior to the Corporation meeting in December.

PG noted for general information that the changes after the last reclassification were immediate and not that well managed .

SW asked if the phishing training had been completed over the summer.

DV confirmed that training had started in July and is ongoing, and that the JISC ANTI-PHISHING framework was also in place.

SW asked about the signing of Learner Agreements.

DV noted that the previous year's electronic process was not sufficiently reliable, but all learners had subsequently signed their agreements. A more reliable and rigorous system is in place this year.

Discussion

Kwame Amoako-Atta

5. Post-Audit Management Letter: Financial Statements Audit and Regularity Audit for the year ended 31 July 2022

For consideration and, if thought fit, recommendation to the Corporation.

SS Thanked all those involved in preparing all the financial documents, especially Hussa Ali, who took on considerable extra work. As a consequence of the changes in personnel in the finance team, the draft statements were a little behind the usual schedule and still require final scrutiny.

The going concern document has now been received and some more documents need to be seen before the audit is

Decision

Sudhir Singh, MacIntyre
Hudson

signed off, but there is no expectation that opinions will be modified.

The key estimates and judgements template, which is for internal consideration, is yet to be completed. Items which should be considered annually include property valuations, and depreciation rates

The Local Government Pension Scheme figure in the income statement has reduced considerably as a result of liability side being affected by the discount rate, which has moved from 1.6% to 3.5%.

DW asked if there is a prospect of contributions being reduced in the future.

SS noted that this matter is being discussed across the sector, but as yet there is no clear outcome of the discussion as there are various factors at work

LGPS valuations will set the rates in future, which need to be closely monitored. The important matter from the audit viewpoint is these factors are all disclosed.

SS the Autumn changes to ACoP from ESFA was very late in the year. This brings in guidance on propriety, which will mean changes in the letter of representation.

KA asked if the ILR records are audited.

SS confirmed that is now considered.

Documents recommendations to the Corporation for approval are :

Management Letter

Letter of Representation

Regularity Self-Assessment

[threat_extracted_Sir George Monoux College - MHA Audit Findings Report 2022_version 8-11-22.pdf](#)

[2022 Sir George Monoux College Letter of representation.pdf](#)

[threat_extracted_Sir George Monoux College - MHA Audit Engagement letter \(7 November 2022\).pdf](#)

[threat_extracted_Sir George Monoux College Regularity Engagement Letter \(7 November 2022\).pdf](#)

6. Draft Annual Report & Financial Statements for the year ended 31 July 2022

Decision

David Watling

For consideration and, if thought fit, recommendation to the Corporation and the Resources Committee (as appropriate to its remit) on matters falling within the jurisdiction of the Audit Committee.

To recommend the Letter of Representation for approval by the Corporation and signature by the Chair of the Corporation.

To recommend the Regularity Self-Assessment Report for approval by the Corporation.

SS Has not been able to check this latest version so once scrutinised, the committee agreed that the accounts could be approved by email.

[v2 SGM Financial Statements 2022 Draft awaiting audit wordings.pdf](#)

[2022 Sir George Monoux College Letter of representation.pdf](#)

7. Risk Management Report: Autumn Term 2021-22

Decision

Dave Vasse

For consideration and, if thought fit, approval on behalf of the Corporation.

This item was taken as read

KA asked about Financial Viability which is rated as 9 where the target is 6.

DV noted that the risk management committee has not been able to meet due to staff changes in the finance team, but it is expected that risk will go down.

DV noted that the delay in the Risk Management Committee hadn't been able to meet due to changes in the finance team.

The committee noted that this report could not be recommended until after Risk Management Committee had met to review the report, and would be deferred to the next meeting

[Risk Management Board Level Risks November 22.pdf](#)

7.1. Board Level Risk - Marketing & Enrolment Report to External Relations Committee

KA noted the this board level risk was noted.

[Marketing and Enrolment Report to External Relations Committee.pdf](#)

8. Internal Auditors' Annual Report 2021-22

To receive and discuss.

KA welcomed PG to present his report.

Governance needs to be in

Effective Control requires further work

PG highlighted the options in the report

21-22 has had some coloured risks opinions, which were not surprises to management.

Green assurances are not given lightly, and all of the other coloured opinions are better than benchmark.

PG thanked management for their cooperation in preparing these reports.

SW asked about the close monitoring of recommendations, and requested a standing agenda item to follow up all recommendations in one document for review at the next meeting.

SS suggested that External Recommendations be included in the monitoring document.

The committee agreed that this would be instigated at the next meeting.

The committee thanks SS for his report.

 Annual report - Sir George Monoux College - 2021-22.docx.pdf

8.1. Final Report - Health & Safety 2021-22

PG noted there were instances where risks were not properly managed, and a lack of risk assessments in place across the college.

Annual checks, including emergency lighting flick tests not completed, H&S training including fire extinguishers training but there was no structured tracking of who had received training.

It was welcomed that progress has been made since the report, with external support to mitigate these risks.

DV welcomed the report, and noted the processes of internal audit is a help to management to discover where compliance is weak. The estates team were making checks, but not on the basis of risk assessments, The new estates manager has since undertaken a huge amount of work on the basis of this report, and following a full site visit, there are now better routines in place, with systems to follow in all learning areas.

A planned maintenance contractor about to be appointed, which will have a clear impact on health and safety.


TS thanked DV for this and noted that it is important management are content that outcomes have been addressed, and a more pro-active approach is now in place.

DV noted that planned maintenance is very closely linked to Health & Safety, and the H&S committee is now ensuring routine safety checks are completed against risk assessments.

SW asked about the urgency of completing checks on emergency lighting.

DV noted that there are two checks, the flick tests have been completed, and the PPM will complete the more detailed checks.

The committee thanked PG for his report.

 Updated Final Report - Health and Safety - SGMC - 2021-22.pdf

8.1.1. Final Report - Budgetary Control 2021-22

PG was pleased with the strong assurance given, and recognised the huge amount of work put into budgetary control. As a suggestion, there is the one 'non-pay costs' entry, which could possibly be expanded to allow closer scrutiny of individual costs.

KA welcomed the strong assurance, and that again, commended Hussa for doing a very good job.

 Final Report - Budgetary Control - Sir George Monoux College - 2022-23.pdf

8.1.2. Progress Report - November 2022

PG noted that the three outstanding audits and asked if these were still appropriate.

KA agreed these were required.

 November 2022 - Progress Report - SGMC - 2022-23.pdf

9. Review of Schedule of College Policies

Information

Kwame Amoako-Atta

To receive the schedule of college policies November 2022

KA Noted the Risk Management Policy hasn't been approved with a report from the Head of HR

 SGMC Policies Update Nov 2022.pdf

10. Annual Report of the Audit Committee 2021-22

John Kirk

To approve and recommend this report to the Corporation

The report will not be discussed except at the express wish of members present. If it is not discussed, members will be deemed to have read and understood the report, and to have no questions concerning it.

SW noted that the Audit plan hadn't been updated in line with the amendments made at the last meeting in June.

PG observed that opinions from the Internal Audit Annual Report 2020-21 had not been included in the draft report.

 Draft Audit Committee Annual Report 2021-22.pdf

11. Dates and Times of next meetings

Information

Tuesday 28 March 2023 @

6.30 pm

Tuesday 20 June 2023 @ **6.30 pm**

12. Any Other Business

13. Opportunity for Members to Meet the External Auditors in the Absence of College Officers

Discussion

Kwame Amoako-Atta

Staff concerned with issues reviewed by the auditors will withdraw.

KA thanked all for attending and asked staff to leave for this confidential item.

The auditors then met with the members, but confirmed that neither had any concerns to raise without college management present.

