

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON  
 TUESDAY 9 JUNE 2020 AT 3.00 PM  
 VIA MICROSOFT TEAMS VIDEOCONFERENCING**

<b>Present:</b>	Dr Nick Sinnamon	Chair
	Mr Graham Cooper	Vice Chair
	Mrs Chris Palmer	
	Mrs Sharon Whiten	Co-optee
<b>In Attendance:</b>	Mrs Debbie Lavin	Principal
	Mr Peter Thompson	Assistant Principal
	Mrs Tracy Bull	Director of Finance & Curriculum Planning
	Mr Brian Bowker	Clerk to the Corporation
	Dr Nick England	Chair of Corporation
<b>In Attendance (External):</b>	Ms Frances Millar	RSM UK Audit LLP
<b>Apologies:</b>	Mr Gordon Pownall	

		<u>ACTION</u>
13/2020	<b>DECLARATIONS OF INTEREST</b> There were no declarations of interest.	
14/2020	<b>APPROVAL OF THE NON-CONFIDENTIAL AND CONFIDENTIAL MINUTES OF THE MEETING OF 22 APRIL 2020</b> The minutes were approved as a true record of the meeting.	
15/2020	<b>MATTERS ARISING FROM THE MINUTES OF THE MEETING OF 22 APRIL 2020</b> It was noted that all matters arising had been addressed.	
16/2020	<b>EXTERNAL AUDIT PLANNING MEMORANDUM 2019/20 (Tabled)</b> With the agreement of the meeting, the External Audit Plan was taken as the first item.  The Director of Finance & Curriculum Planning introduced the item and said that it was extremely likely the autumn term external audit would be conducted remotely.  The RSM UK Audit representative outlined the audit plan and said there were no changes to procedures and the scope of work. She then drew attention to the audit timetable and said the target was to present a report to the November 2020 Audit Committee. The audit representative then outlined some of the specific details for undertaking the audit, including the summary of risks (additional COVID-19 risks), bank covenants and audit fees. She concluded by drawing attention to a separate document "Emerging Issues".	

		<u>ACTION</u>
	<p>A question was asked regarding the 5% increase in audit fees, given it was likely that costs would be reduced because of a remote audit. The audit representative said that there may be a saving on disbursements due to reduced travel, etc.</p> <p><u>The Committee RECOMMENDED the External Audit Planning Memorandum 2019/20 to Corporation for APPROVAL.</u></p> <p>The RSM UK Audit representative left the meeting at this point.</p>	
<b>17/2020</b>	<p><b>PUBLIC INTEREST DISCLOSURE: ANNUAL REPORT</b></p> <p>The Assistant Principal (Finance &amp; Resources) reminded Members that the College PID Policy was updated in 2016, it follows ACAS guidance and is in line with legislative requirements. He said that the policy is available on College SharePoint and through HR and staff have accessed it but no disclosures have been made.</p> <p><u>The Committee NOTED the report.</u></p>	
<b>18/2020</b>	<p><b>RISK REGISTER</b></p> <p>The Assistant Principal (Finance &amp; Resources) introduced the updated register. He said the latest edition of the risk register builds upon the earlier work, completed and reported at the last Audit Committee meeting, as the SMT and the sector responded to the challenges of COVID-19. The Assistant Principal then drew attention to the eight additional risks and added that there have also been some minor revisions of scoring and changes in responsibility.</p> <p>The Chair and Vice Chair complimented the Assistant Principal and his team for an excellent piece of work. A question was then asked why there had been a reduction from green (8) to amber (12) in relation to data security. The Assistant Principal responded that this was due to wider availability of data on Teams and “data hygiene” is under increased scrutiny.</p> <p>The Chair of Corporation (an attendee at the meeting) raised the matter of Governors being fully informed of College plans for re-opening and mitigating associated risks. It was agreed that relevant information would be circulated to Governors including; COVID Risk Register; SEN student risks and sickness on site procedures. The Assistant Principal agreed to forward a link to the Clerk for circulation.</p> <p>The Vice Chair stressed the very significant amount of work that has been undertaken to develop an excellent risk register and, more importantly, identifying specific outcomes. This was endorsed by all Members of the Committee.</p> <p><u>The Committee CONSIDERED the report.</u></p>	<b>PT</b>
<b>19/2020</b>	<p><b>INTERNAL AUDIT PLAN 2019/2020 -VISIT 3 REPORT</b></p> <p>It was noted that the report was being finalised by the auditors.</p>	
<b>20/2020</b>	<p><b>ACCOUNTING POLICIES</b></p> <p>The Director of Finance &amp; Curriculum Planning reminded Members that the Accounting Policies will be used to prepare the accounts and these will be in the notes</p>	

		<b><u>ACTION</u></b>
	<p>to the Financial Statements. She added that there are no changes in the Accounting Policies from 2018/19.</p> <p><u>The Committee RECOMMENDED the Accounting Policies to Corporation for APPROVAL.</u></p>	
<b>21/2020</b>	<p><b>IMPAIRMENT CHARGES</b></p> <p>The Director of Finance &amp; Curriculum Planning informed Members that a summary of accounting treatment and impact of impairment charges has been produced to provide information on how it flows through the accounts.</p> <p>Members considered the report and a question was asked regarding the impact of any demolition or site clearance costs. The Director agreed to add this item to the impairment charges.</p> <p><u>The Committee CONSIDERED the report.</u></p>	<b>TB</b>
<b>22/2020</b>	<p><b>FINANCIAL REGULATIONS AND FINANCIAL PROCEDURES – ANNUAL REVIEW</b></p> <p>The Director of Finance &amp; Curriculum Planning introduced the report and reminded Members that following a request last year, all changes in the documents are shown. She said that the most significant change to the Financial Procedures is the inclusion of procedures for 'mass remote working' during lockdown.</p> <p>A Member suggested that all references to “Acts” should be reviewed to ensure they are all current and be amended where required.</p> <p><u>Subject to the above amendments, the Committee RECOMMENDED the Financial Regulations and Procedures to Corporation for APPROVAL.</u></p>	<b>TB</b>
<b>23/2020</b>	<p><b>AUDIT ISSUES LOG</b></p> <p>The Assistant Principal (Finance &amp; Resources) explained that the Audit Issues Log had not been presented at the March 2020 meeting. He said that outstanding action points arising from 2018/19 and 2019/20 audit visits have now been added to the log. Of the issues presented in the reports, there are only six actions that are yet to be fully resolved and are all in hand.</p> <p>Members thanked the Assistant Principal for a comprehensive report.</p> <p><u>The Committee CONSIDERED the report.</u></p>	
<b>24/2020</b>	<p><b>REVIEW AUDIT COMMITTEE TERMS OF REFERENCE</b></p> <p>The Terms of Reference were considered and the Clerk was asked to check whether Co-opted Members are included in the meeting quorum.</p> <p><u>Subject to the above check, the Terms of Reference were RECOMMENDED to Corporation for APPROVAL.</u></p>	<b>Clerk</b>

		<u>ACTION</u>
25/2020	<p><b>EVALUATION OF THE EFFECTIENESS OF THE COMMITTEE 2019/2020</b></p> <p>Members considered the evaluation report and discussed potential areas for improvement. The Clerk was asked to review the membership and seek to appoint a Governor with recognised formal financial qualifications.</p> <p><u>The Committee CONSIDERED the report.</u></p>	Clerk
26/2020	<p><b>GDPR DATA BREACHES</b></p> <p>The Assistant Principal (Finance &amp; Resources) said that there had been an IPA request from Hampshire Constabulary regarding a particularly difficult issue. He said that the data released was compliant and very well managed by the team.</p> <p>A Member said that, given the level of electronic communication and remote working, it is excellent that there have been no recorded data breaches. The Chair added that this was reassuring and this was endorsed by all Members.</p> <p><u>The Committee CONSIDERED the report.</u></p>	
27/2020	<p><b>ANY OTHER BUSINESS</b></p> <p>The Chair of the Audit Committee thanked all Members for their hard work during the year. This was endorsed by the Chair of Corporation (meeting attendee) who added his thanks and felt that the meeting had been very effective, extremely helpful and given the high level of scrutiny, reassuring for him in his role.</p>	
28/2020	<p><b>DATE OF NEXT MEETING</b></p> <p>Wednesday 7 October 2020, 4.00pm – 5.30pm, Room PG11.</p>	

Date: \_\_\_\_\_ Chair: \_\_\_\_\_

<p><b>MISSION STATEMENT</b>  <b>Putting Students First</b>  <b>Working with Employers</b>  <b>Supporting our Community</b></p>
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