

**Minutes of the Audit Committee Meeting
held on 27th June 2019 at 5.30 pm in Room 2-12, Aylesbury Campus**

Members Present: Eddie Weiss (Chair), Carolyn Guildford, Andrew King, Rabia Bhatti

In Attendance: John McGrath (Vice Principal, Corporate Services) (VPCS), Sarah Mason (Representing External Auditors, RSM), Anna Smith (Clerk)

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence had been **Received** from Karen Mitchell.

There were no new declarations of interest relevant to the business of the Committee.

2. MINUTES OF THE MEETING HELD ON 23RD APRIL 2019 AND MATTERS ARISING

The minutes were **Approved** as a correct record and signed by the Chair.

3. RISK MANAGEMENT REPORT INCLUDING REVIEW OF RISK REGISTER

The VPCS updated members on the progress of the College risk register noting that the “High Level” risks remained the same risks as previously reported at the last meeting. Members were briefed on the management strategies in place to address these risks as highlighted in the report. Governors raised discussion as follows regarding the “High Level” risks:

- Governors queried why recruitment was lower than last year at Aylesbury campus and the VPCS reassured the Committee that certain areas (particularly Sport & Public Services) attracted later recruitment (November) and this pattern might be repeated for the current recruitment. In terms of the increased recruitment at Wycombe campus, a new course “Forensic and Criminal Investigation” was attracting high numbers.
- Regarding the asbestos works at Amersham campus, the photography room open ceiling might require further work and options were being considered. Governors queried and were reassured that regular air quality monitoring was taking place to ensure safety and a resurvey would be conducted over the summer period.
- *Some of this item is recorded in the confidential minutes.*

On scrutinising the risk register closely, the Chair queried the low risk score for student attendance when this was such a challenge across the sector. The VPCS reassured members that low attendance was largely due to the impact that attendance at English and maths was having on the overall data. This was indeed a national challenge but for the College it has not had any significant impact on achievement data.

The report and the risk register were **Noted** and members thanked the VPCS for the clear and useful reporting.

4. INTERNAL AUDIT ASSIGNMENT REPORTS

The VPCS briefed the Committee on TIAA's audit to the College's subcontracting provision resulting on an overall assessment of Reasonable Assurance. The management recommendations were detailed clearly in the report and the VPCS briefed on the background of these and the actions being taken to address them.

The Chair queried the quarterly monitoring visits to each subcontractor and the VPCS provided reassurance that these take place in a similar way to the governor learning walks. The achievement data of subcontractors was generally good with high quality provision for learners.

Governors queried whether there were any tax issues with subcontractors and it was confirmed that it was a tax-exempt supply.

The Chair queried to what extent does the College consider subcontractors' financial positions. The VPCS confirmed the College obtains credit reports and works closely with each subcontractor; meeting regularly to ensure satisfaction.

Committee members **Noted** the internal audit report and thanked the VPCS for his briefing and reassurance.

5. EXTERNAL AUDIT PLAN

Clare Mason of RSM briefed the Committee on the external audit plan highlighting in particular:

- Implications of the FE insolvency regime and the Audit Code of Practice
- Business and audit risks arising from the preliminary risk assessment ensuring income streams were appropriately recorded; LGPS disclosures were accounted for correctly and under the going concern basis of accounting ensuring the bank loans were accounted for and accounting processes were reviewed.

The Chair raised debate over FE funding being lower than in the HE sector. The VPCS noted that members at the T level launch event he had attended acknowledged that the loss of funding in the FE sector was at the forefront of discussion within Westminster.

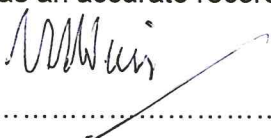
6. ANY OTHER BUSINESS

None

7. DATE OF NEXT MEETING

Proposed 4th December 2019 (subject to Corporation approval on 11th July 2019)

Approved as an accurate record of discussions.

Signed:.....


Date:.....
