

SANDWELL COLLEGE

Minutes of the Audit Committee meeting held on Tuesday 19 November 2024, 10.00am

Present:	T Sharma	Independent Governor (Chair)
	M Ashford	Independent Governor
	J Tew	Independent Governor
In attendance:	L Capper	CEO & Principal
	A Gordon	Deputy Principal
	R Pickup	Exec Director, Finance and Resources
	S McKay	MHA
	L Tweedie	RSM
	N Hall	RSM
	S Virdee	Executive Assistant (minutes)
Apologies:	S Lal	Sandwell Council

		Action
1	<u>Declarations of any new interest or conflict of interest with any agenda item.</u> None	
2	<u>Apologies</u> The Chair welcomed all present to the meeting. One apology received from Shokat Lal.	
3	<u>Minutes of the Meeting of the Audit Committee held on Tuesday 11 June 2024</u> - Fire safety section to be moved to confidential minutes for the purpose of today's meeting.	
4	<u>Matters arising</u> 19.1 – John Tew Working with Jeremy Taylor. There hasn't been an internal meeting in the first term due to the focus on enrolment but John Tew is scheduled to attend the next meeting. The new strategic plan will have an environmental theme running through. 19.4 - SV to invite Ian Oldacre and Martin Smith to the next meeting.	SV
5	<u>Financial Year-End 2023/24</u> 5.1 Regularity Audit Self-Assessment Questionnaire 2023/24 - The self-assessment questionnaire remains in a consistent format to 2022/23 with no material changes. RP reminded the committee that whilst as a committee we discussed the outcome of potentially fraudulent action during the year.	

	<p>These items related to 22/23 and as such were reported in the 22/23 regularity questionnaire.</p> <p>The questionnaire was agreed and recommended to the board for signature.</p> <p>5.2 Financial Statements</p> <p>5.2.1 SM presented the Audit findings report. The report set out the key matters identified at the audit planning stage for audit focus and matters identified during the audit.</p> <p>The audit work on the accounts is now substantially complete we anticipate issuing unqualified 'true and fair' and 'regularity' audit opinions for the College</p> <p>Governors raised a query around bad debt provisions and the outstanding amounts. RP commented that with discussions ongoing with our two local authorities he is content with the provision made and that it represents the risk to recovery.</p> <p>SM described the adjusted and non-adjusted mis-statements and that he was content with how these had been treated.</p> <p>Governors raised a query on the credit card in the name of a former employee. RP noted this is the card kept in the Finance safe, and there had been technical difficulties in having this initially changed. This has now been updated to the current Director of Finance.</p> <p>With regards to regularity – the college credit card is now in now in the Executive Director of Finance's name.</p>	Clerk
	5.2.2 Letter of Representation – SM presented the letter of Representation and confirmed this was their standard letter. There were no queries with this and it was recommended to the corporation for approval.	Clerk
	5.2.3 Regularity Engagement letter - SM presented the letter and confirmed this was their standard letter. There were no queries with this and it was recommended to the corporation for approval.	Clerk
	5.2.4 Letter of Engagement for Teachers Pension – SM presented the letter and confirmed this was their standard letter. There were no queries with this and it was recommended to the corporation for approval.	Clerk
	5.2.5 Audit Engagement Letter – SM presented the letter and confirmed this was their standard letter. There	Clerk

	<p>were no queries with this and it was recommended to the corporation for approval.</p> <p>RESOLVED THAT: Governors received and would recommend to the Board for approval the Audit Findings Report 2022/23, the Letter of Representation, the Regularity Engagement Letter, the Letter of Engagement for Teachers pension, and the Audit Engagement letter.</p> <p>5.3 Going Concern - The College continued to be in a strong financial position, with a good surplus, and its plans for the next 2 years had been confirmed. The ESFA had confirmed the College's financial rating continued to be Outstanding.</p> <p>RESOLVED THAT: Governors noted that the College remained a going concern.</p> <p>5.4 Internal Audit Reports 2023/24 – LT presented the Internal Audit Reports for 2023/24. Governors noted that all of the reports were presented for completed. LT updated that the Human Resources audit was underway and the Data Protection audit had been postponed until later in the year.</p> <p>LT noted the 3 Emerging Risks for FE, Governors noted that they were sighted on these and the actions taken by the college where possible as these are very wide ranging in nature.</p> <p>5.5 Internal Audit Annual Report – LT presented the Annual Report. The opinion given was for reasonable assurance, noting that 'The organisation has an adequate and effective framework for risk management, governance and internal control.' This has remained consistent for the last 3-4 years.</p> <p>It was noted that there had been little progress in the follow up actions. RP responded that a number of these items had been presented to audit committee previously or in the case of estates extended, so should not be showing as outstanding in the report. RP will instigate an internal tracker and discuss progress with LT.</p> <p>5.6 ISA 240 – RP presented the ISA 240 self-assessment. Governors noted that it was helpful to see risks and the actions taken to mitigate them.</p> <p>RESOLVED THAT: Governors noted the ISA 240 Self-assessment Questionnaire.</p> <p>5.7 ISA 540 – RP Presented the ISA 540 and noted that there were no major changes to last year.</p>	<p>RP LT</p>
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	<p>RESOLVED THAT: Governors noted the ISA 540.</p> <p>5.8 Reconciliation of Period 12 management accounts (July 2024) to the financial statements 2023/24.</p> <p>RESOLVED THAT: Governors received and noted the Reconciliation of Period 12 Management Accounts (July 2024) to the Financial Statements 2023/24 and noted the very limited movements there had been to the position.</p> <p>5.9 Members Report and Financial Statements 2023/24 - Further to the earlier discussions and explanations of key points, Governors noted the Members Report and Financial Statements 2023/24 which presented a positive picture of the organisation and its continued growth.</p> <p>RP noted that there were 3 signatures required for the 3 periods of Principals up to the date of the signature of the accounts.</p> <p>RESOLVED THAT: Governors would recommend the Members Report and Financial Statements 2023/24 to the Board for approval.</p> <p>5.10 Value for money report – RP presented the reported. Areas reviewed for value for money assurance this year were considered, along with the plan for 2024/25.</p> <p>Governors received and acknowledged the value for money plan for 2024/25.</p> <p>RESOLVED THAT: Governors received the Value for Money report 2023/24.</p> <p>Governors thanked the FSA and the finance team for their hard work.</p>	
6.	<p><u>Risk Register and Annual Risk Report</u></p> <p>RP presented the Risk Register. RP noted that there would be a revised Risk Framework in line with the new strategic plan which would look to not only refresh the risks but also the framework within which they are managed and Audit Committee has responsibility for.</p> <p>Governors were reminded that the Audit Committee had overarching responsibility for the risk management framework and advising the Board and therefore had oversight of the Risk Register process. Each committee included appropriate expertise to review their areas of risk in detail.</p> <p>RP presented the annual risk report. This shows how risks have moved throughout the year</p>	

	RESOLVED THAT: Governors received the annual risk report and recommended for it to go to Board.	
7	<u>Risk Management</u> This item was discussed in conjunction with the previous risk item.	
8	<u>Health and Safety</u> The report was received and noted. The chair asked if the health and safety manager would be able to attend the next audit meeting where more time would be available to run through the report in greater detail.	Clerk
9	<u>Draft annual Report of Audit Committee to Board of Governors and the Accounting Officer – 2023/24</u> RESOLVED THAT: Governors approved the draft Annual Report of the Audit Committee.	
10	<u>Policies</u> Anti-fraud and Anti-bribery policies were agreed by the audit committee. RESOLVED THAT: Governors approved the Anti-fraud and Anti-bribery policies.	
	CONFIDENTIAL SESSION	
11	<u>Annual Confidential session of Governors with both sets of Auditors</u> See confidential minute	
12	<u>Performance of Internal Auditors and Financial Statements Auditors 2023/24</u> See confidential minute	
13	<u>AOB</u> <u>Fire Safety and Cladding</u> See confidential minute	
17	<u>Date and Time of Next Meeting</u> 11 March 2025.	

The meeting ended at 12.00pm