

Audit Committee

Tue 21 November 2023, 08:30 - 10:00

Teams

Attendees

Board members

Dave Vasse (Principal), Tim Stockings (Member), Kwame Amoako-Atta (Committee Chair), Andy Boucher (Chair of Corporation), Sara Whittaker (Member), Jamie Davies (Member), Richard Boulton (Operations and Finance Director), Kay Sandford-Beal (Director of Governance)

Absent: Angela Foster, Maurine Lewin, Nazia Shah, Hussa Ali, Marian Orafu, Natalie Firth, Moshiur Rahman, Anastasia Dufie, Rosali Pretorius

Meeting minutes

1. Apologies for Absence and Quoracy

To accept apologies, note those absent and confirm that the meeting is quorate

KA welcomed all to the meeting and confirmed that the meeting was quorate. Apologies had been received from Angela Foster. All Governors had been invited to attend the meeting to allow access to the auditors in line with the requirements of the Audit Code of Practice.

Information

Kwame Amoako-Atta

2. Declarations of interest

To invite declarations of interest against any item on the agenda

KA invited those present to declare interests against agenda items. None were declared.

Information

Kwame Amoako-Atta


3. Minutes of the previous meeting

To approve the minutes of the previous meeting on the 20th June 2023 as a true record.

KA thanked SW for chairing the last meeting when he was unavailable. The minutes of the previous meeting on the 20th June 2023 were confirmed as a true record and were approved.

Decision

Kwame Amoako-Atta

 3. Minutes_Audit Committee Meeting_200623.pdf

4. Matters Arising

To discuss any items within the minutes not covered elsewhere on the agenda and to monitor actions requiring completion.

One action had been added to the action log, regarding the addition of 'Fraud' to the risk register. This was now completed and the risk register had been added to the agenda.

Discussion

Kwame Amoako-Atta

 4. Action log Audit Committee 20 June 23.pdf

5. Post-Audit Management Letter: Financial Statements Audit and Regularity Audit for the year ended 31 July 2023

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

SS alerted Governors to the discussion with KS regarding the ACOP requirement for Governors to be given access to the external auditors. KS confirmed that all Governors had been invited to attend the Audit Committee meeting to facilitate this.

Decision

Sudhir Singh

SS clarified all the supporting papers that accompanied the agenda item:

1. Letter of Representation - document presented at the end of the audit, reflecting the change in status in line with ONS, whereby MHA confirms college compliance and provides recommendations for improvements. Otherwise this is a standard letter as previous years.
2. Engagement Letter - this letter is refreshed every 2 years and is in line with ESFA and ACOP guidance.
3. The Audit Findings Report highlighted that there was no change to the risks identified. Field work had been completed but there were still some areas of work needing completion by the College.

SS highlighted that a new process had been introduced to their audit process. A 'Stand Back' phase was now required, to consider any other areas that may require further interrogation, which would then allow for confirmation of the College being a 'Going Concern' SS confirmed that he did not anticipate any areas of concern once this process had taken place.

4. The draft accounts had been examined but the next draft would be reviewed in greater detail. SS reassured that no adjustment had been made to the statement which was a positive sign. SS recommended the avoidance of disclosure statements and if possible to amend detail provided around terminations.

SS highlighted that in line with the Treasury manual, the Financial Regulations had not been reviewed in July 23, but acknowledged that the year had presented challenges due to the transition within the College of key members of staff. This had resulted in a Grade B recommendation. A Grade C recommendation had also been provided regarding the management of controls, highlighting a need for governors to be provided with a paper to explain the financial controls process.

SS expressed his thanks to the Monoux Team for their excellent work, in particular Hussa Al-Mima Ali. He commented that it had not been up to the high standard of previous years, but again acknowledged the level of transition within the year of key staff. KA thanked SS, RB and the Finance Team and opened the discussion up to questions.

A Governor queried the meeting pack and the page references used by SS, commenting that it was not consistent with his pack, although the full meeting book had been created and distributed using Admin Control. His concerns related to version control. The Governor commented that he liked the 'Heat Map' but suggested a change in wording of the introductory section that draws immediate attention to significant issues. SS explained that this method of introduction and wording was required under auditing standards.

A Governor queried the adoption of Treasury procedures. SS shared that there is not too much change but that as there are borrowing issues, there is a need to be robust in terms of cash. SS recommended cash above the guaranteed £80k protection limit be shared across additional accounts, thus attracting higher interest and financial return to the College. A Governor emphasised that cash management is key.

It was clarified that the Engagement Letter had been signed this year but was a continuation of the ongoing commitment.

Governors were alerted to the fact that the Representation letter did not reflect any updated financial regulations.

ACTION: SS to revisit wording in report and liaise with RB.

SS highlighted the need for the inclusion of a 'Going Concern paper', to go to the Resources Committee. This would meet the requirements of both committees.

ACTION: SS to share Going Concern template with RB to complete.

Q - Governor: Why was the Self-Assessment Report late, thus incurring additional fees?

A - RB: This resulted from me not distributing a draft of the Regularity Questionnaire earlier for review. The pension report had also been received late from Waltham Forest Local Authority.

DECISION: The following were approved by the members of the Audit Committee:






Letter of Engagement - **Approved**

Letter of Representation - subject to minor amendments to be approved over email

Audit Findings - **Approved**

Audit Report - **Approved**

ACTION: the letter of representation would be amended and then distributed via email for approval.

-  2023 Sir George Monoux College Letter of representation.pdf
-  5. Sir George Monoux College Engagement Letter Nov 2023.pdf
-  5. Sir George Monoux College Regularity engagement letter November 2023.pdf
-  5. 2023 Sir George Monoux College Audit Findings Report (AFR).pdf
-  5. SGM 2023 Audit Report.pdf

6. Draft Annual Report & Financial Statements for the year ended 31 July 2023

Decision

Richard Boulton

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.

RB highlighted that the draft provided still had outstanding points to be clarified before it could be approved (as a final version, having incorporated all necessary changes) by the Corporation at its next full meeting on the 12 December 2023.

Q - Governor: Can you please confirm that the ESFA funding income is reconciled on a monthly basis?

A - RB: This refers to the capital grant and the costs are submitted on a monthly basis with relevant invoices, so that all is reconciled.

Q - Governor: Can we please see a final version early next week to review and approve ahead of the Corporation Meeting?

ACTION: KS to distribute final version of annual report for approval to members once ready within a week of meeting.

Q - Governor: What evidence is there that we are correctly following the scheme of delegation to ensure appropriate overview of the maintenance of the premises?




A - KS: The scheme of delegation, currently being drafted, will confirm that the Property Strategy Group will report into the Resources Committee.

Q - Governor: Do we know if the government grant for pension costs will be in place next year?

A - RB: Yes. We have £241k confirmed for this year and £250k for the following year.

Q - Governor: Can you please confirm that as all Governors were invited to attend this Audit meeting, there is no need for the auditors to attend the December Corporation meeting?

A - SS: Correct

-  6. Regularity Self-Assessment Questionnaire-v9.pdf
-  6. Monoux College AR 2023 Final-15Nov23-v5.pdf
-  2023 Sir George Monoux College Letter of representation.pdf

7. Risk Management Report: Autumn Term 2022-23

Decision

Richard Boulton

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

RB explained that the latest version had been updated to include the risk of fraud, together with the ESFA reporting requirement. The Leadership team meet every 4 to 6 weeks to review.

A Governor commended the Monoux College Team for all their hard work, but highlighted points for longer term consideration, in particular risks that held extended timelines e.g. 15-20 years and queried if these should be removed in favour of shorter term, more immediate and relevant risks e.g. 3 year funding cycles. A Governor also advised a greater focus on completion of the mitigation column to ensure that the report accurately reflected strong performance.

PG offered to share audit definitions with RB, which should prove helpful. He also suggested that it could be helpful to include any other actions plans not yet considered.

ACTION: PG to share with RB recommendations for likelihood thresholds for use in risk register

Q - Governor: Is this report updated every month. In other words how is monitored and tracked? This would be helpful to consider.

A - RB: It depends on the issue

DV shared that issues are tracked in different ways and through the Committee structure, so that measures were in place in order to track specific progress.

A Governor advised that it would still be helpful for a framework to be established so that all issues were held in 1 place for ease of effective monitoring.

ACTION: RB to establish risk monitoring centralised document

 7. Risk Report-Nov23-v2.pdf

7.1. Risk Management Policy

For members to review and approve

RB presented the revised Risk Policy Management to Governors. A Governor highlighted that the policy illustrated well the steps required for mitigation and that auditors would ensure that the College were following the policy.

DECISION: The policy was approved by members.

TS and AB left the meeting at 9.35am.

Decision

Richard Boulton

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

For Members to note the Board Level Risk

Members had been asked to note the Board Level Risk in the Marketing and Enrolment Report to the ER Committee. KA presented highlights from the report, including the increase in provision of A-level teaching, requiring appropriate staff to deliver and the increase in enrolment within the borough of Newham.

Governors agreed that inclusion of this paper had been very helpful.

Q - Governor: Do you have any data relating to the number of students with special needs, in the context of the borough.

A - DV: We have noticed a significant increase in those with a prior history of needing support. So we are looking at the staffing levels required to provide adequate support.

Q - Governor: And do you have data on demographics? Is it similar to previous years?

A - DV: We have experienced an unexpected change in gender profile but we do not know what the long term picture will be. We are still highly inclusive compared with other 6th forms within the borough.

 7. Marketing and Enrolment Report to ERC.pdf

Information

Kwame Amoako-Atta

8. Internal Auditors Annual Report 22-23

Scrutton Bland to provide overview of internal audit purpose to Governors

PG provided an overview to Governors outlining the role of internal auditors; to provide independent objective reassurance, to support with advice on operational procedures, to horizon scan and provide strategies and recommendations in order to raise added value.

Scrutton Bland provide 4 audits a year for the College, which was similar to other 6th Form Colleges.

Information

Paul Goddard, Scrutton Bland

8.1. To receive and discuss the Risk and Assurance Annual Report 22-23

Information

PG presented the Risk and Assurance Report.


Paul Goddard

He highlighted that the college was currently not providing a Risk Tracker as per a previous recommendation and recommended that the college should look to introduce this to provide strong assurance.

ACTION: RB to create risk tracker

PG thanked Management for reaching out when audit timing did not fit with the College schedule.

KA thanked PG and management for the positive story.

 8. Risk and Assurance Annual Report - Sir George Monoux College - 2022-23.pdf

8.2. To receive and discuss the Risk Progress Report November 23

Information

The Risk Progress Report was taken as read. A Governor queried why GDPR was not included in the plan for 2023-24. It was confirmed that this had been replaced by Examinations in the forthcoming year. It was considered that GDPR was more relevant to the delivery of T levels, the implementation of which had been delayed. A later GDPR focussed audit would prove more appropriate.

Paul Goddard

 8. Risk and Assurance Progress Report - Sir George Monoux College - November 2023.pdf

9. Review of Schedule of College Policies November 23

Information

To receive the schedule of College Policies

Kwame Amoako-Atta

Governors thanked KS for the updated schedule of college policies, created and monitored by Tracy Straker. A Governor requested that the data was filtered according to the date of next review.

ACTION: KS/ TS to reformat the schedule of policies by sorting by the date of next review

 9. SGMC POLICIES_UPDATE_Nov 2023.pdf

10. Annual Report of the Audit Committee

Decision

To approve and recommend this report to the Corporation.

Kay Sandford-Beal

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.

The report was taken as read and KW invited questions. He highlighted that attendance was the lowest across all committees and that members should work to improve this for the forthcoming year.

PG highlighted that the report should reflect activity in the current meeting and that paragraph 25 of the Audit Code of Practice details what other inclusions there should be within the report with other corrections to be made to the first draft.

ACTION: KS to amend and redistribute to members

 10. Draft Annual Audit Report 22-23.pdf

11. Dates and times of next meeting

Information

To confirm the dates of meetings for the remainder of the academic year:

Kwame Amoako-Atta

Tuesday 26th March at 8.30am

Tuesday 11th June at 8.30am

The meetings dates were confirmed as previously agreed.

12. AOB

Discussion

To discuss any items identified as urgent business

Kwame Amoako-Atta

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

Confidential Part II minutes documented separately

13.1. The meeting closed at 10.25am