

**DRAFT MINUTES OF A MEETING OF THE AUDIT COMMITTEE  
OF CITY COLLEGE PLYMOUTH HELD ON 13 NOVEMBER 2018  
COMMENCING AT 1630**

**Present:**

William Woyka (Chair)  
Andrew Ashley  
Cheryl Powell

**In Attendance:**

Paul Brunt - Specialist Non-Governor  
Alastair Campbell, RSM  
Adam George, RSM  
Katie Skea, Francis Clark  
Sandra Wilson, Head of Finance  
Francesca Stratford, Acting Clerk

The Clerk welcomed nominations for Chair of the Committee. Andrew Ashley nominated William Woyka and Cheryl Powell and Paul Brunt seconded the proposal. William Woyka was elected Chair of the Committee.

**AU18/25 - Apologies for Absence and Declarations**

No apologies were received.

**AU18/26 - Minutes of the Meeting of the Audit Committee held on 2 July 2018**

**RESOLVED:** The Minutes were approved as a correct record and signed by the Chair.

**AU18/27 - Matters Arising**

There were no matters arising.

**AU18/28 - Confidential Items**

**RESOLVED:** That no agenda items were required to be dealt with In Commercial Confidence or treated as Part II.

**AU18/29 – Internal Audit Presentation on Good and Best Practice**

A presentation by Alastair Campbell was received by the Committee and covered the three lines of assurance, ensuring the Committee were aware of risks and mitigating against them. Governors discussed training and development as the Committee membership is likely to change over the next year and a more in depth presentation might be useful for new members.

**RESOLVED:** To NOTE the presentation.

**AU18/30 – Internal Audit Report**

The Internal Auditors confirmed that a sound system was in place and the Board approved the Report.

**RESOLVED:** i) To APPROVE the Internal Audit Report for the year ended 31 July 2018 and RECOMMEND its adoption by the Corporation.

### **AU18/31 – ATL Internal Audit Report**

The Internal Auditors reported there was a good governance structure at ATL. Previously reporting had been more informal but going forward the College is now embedding ATL within its reporting e.g. management accounts etc.

Governors queried what other improvements could be made and discussed more formalised reporting into Audit Committee and then Corporation on a variety of topics (e.g. Safeguarding, E&D etc), with an update from ATL's MD.

**RESOLVED:** To APPROVE the ATL Internal Audit Report and RECOMMEND its adoption by Corporation.

### **AU18/32 – Annual Report of the Audit Committee**

Governors reviewed the Annual Report and recommended sign off by the Chair of the Committee.

**RESOLVED:** i) To APPROVE the Annual Report of the Audit Committee to the Corporation.

### **AU18/33 – Internal Audit Progress Report**

Governors discussed the Internal Audit plan for the upcoming year and requested that a curriculum plan for the College should be included. RSM noted that all four topics currently scheduled for the year would assist in creating the curriculum plan. Discussed timescales and agreed that as the FEC team were due to visit in March 2019, the report should be received in February 2019.

Governors also discussed the Risk Register, and following comments from the FEC's team, agreed that the Register should include insolvency regime and business risk due to recent adverse publicity.

**RESOLVED:** i) The Head of Finance to update the Risk Register as outlined above.  
ii) To NOTE the progress report.

### **AU18/34 – Audit Completion Report**

Francis Clark presented their report. Governors discussed the report and noted £770k operational College deficit and gift aid donation of £300k from ATL; income decrease by £1.4M on last year; reviewed the balance sheet and benchmarking; before the accounts are signed in mid-December a review of the Goschen Centre recoverable amount will need to be reviewed; reviewed Going Concern and noted the £1M bridging loan from the Local Authority until Goschen is sold.

Governors queried the Teacher's pension scheme and current exposure. Francis Clark are awaiting the new valuation to be issued and once complete will be re-evaluated.

Francis Clark are confident that Management are now aware of the financial position and taking action to cut costs and increase income for the College. Governors confirmed the importance of the Committee having oversight of cashflow projections and ensuring it is closely monitored.

Governors discussed sign off on the accounts and ensuring the commentary section is updated.

**RESOLVED:** i) To RECEIVE and NOTE the Audit Completion Report for the College Group (to include ATL).

#### **AU18/35 – Financial Statements**

Governors reviewed the Financial Statements for the College Group.

**RESOLVED:** i) To RECEIVE and NOTE the draft Financial Statements for the College Group.

#### **AU18/36 – Regularity Self Assessment**

Governors noted the Regularity Self Assessment update.

**RESOLVED:** i) To RECEIVE and NOTE the Regularity Self Assessment.

#### **AU18/37 – College Risk Register and Annual Report**

Governors noted the report and recommended the Risk Register includes reference to adverse publicity.

**RESOLVED:** i) To update the Risk Register to include reference to adverse publicity  
ii) To APPROVE the College Risk Register and RECOMMEND its adoption by Corporation and  
iii) To NOTE the Risk Management Annual Report

#### **AU18/38 – Terms of Reference**

Governors reviewed the updated Terms of Reference and agreed to:

- Remove the Audit Committee from the list of sub committees reviewing specific risks
- PB raised a potential conflict of interest due to his role at the University of Plymouth and the 'significant interest in the College and its students'. PB was content to continue as a Governor but also would stand down if it was deemed there was significant interest. Agreed to refer to the incoming Clerk for review.

**RESOLVED:** i) To RECOMMEND the updated Terms of Reference are adopted by Corporation.

#### **AU18/39 - Date of next meeting**

The date of the next meeting will be on 4 March 2019 at 4.30pm in KS301.

The Chair acknowledged this was Cheryl's last meeting and on behalf of the Committee he thanked her for her contribution.

**SIGNED** \_\_\_\_\_ **DATE** \_\_\_\_\_