

BOSTON COLLEGE

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON 21 NOVEMBER 2024

1. **PRESENT**

Andy Atkins, Daran Bland, Katy Priestley and Sandra Williamson.

Also in attendance: Janet Hemmant (Clerk to the Corporation), Debbie Holland (Chief Operating Officer), Tom Hayward (Head of Finance), Scott Winter (ICCA), Gareth Jones and Harvey Mudd (RSM).

Attendance: 80%

2. **APPOINTMENT OF CHAIR**

Having been duly nominated, Sandra Williamson was appointed as Chair of the committee for 2024-25.

Sandra Williamson in the Chair.

3. **APPOINTMENT OF VICE CHAIR**

Having been duly nominated, Daran Bland was appointed as Vice-Chair of the committee for 2024-25.

4. **ACTION LOG AND RECOMMENDATION TRACKING**

Members reviewed the committee's action log and noted progress made against the points on it. It was noted that several points had now been signed off. Procurement may be considered as an issue for audit review. ●

The recommendations tracking log was reviewed. The committee noted that the curriculum efficiency work had had to be deferred as it was a major task for the finance office which was not yet at full capacity. On issues raised in the Mock Funding Audit, Scott Winter commented that the issues will take time to address and it is too early to assess the impact of changes made.

5. **MINUTES**

The minutes of the meeting held on 13 June 2024 were reviewed and approved as a correct record.

6. **INTERNAL AUDIT**

Scott Winter presented a number of reports:

a) **Financial Planning and Budgetary Control**

This report carried a Substantial assurance opinion with no recommendations and the committee recorded its thanks to the finance team.

b) **Follow-Up of Previous Recommendations**

This report carried a Substantial assurance opinion.

It was noted that there was one recommendation carried forward which was out of with the college's control. Debbie Holland is to check that the alternative solution to the issue proposed by software suppliers was acceptable to the work experience team and had been implemented.

c) Annual Internal Audit Report 2023-24

Scott presented the report which gave Reasonable Assurance, the highest level possible for this report, on the College's governance, risk management and systems of internal control. The committee noted that this report contained the assurances required by the Audit committee in relation to the signing off of the accounts.

d) Apprenticeship Strategy and Delivery Model

This report carried a Reasonable assurance opinion. It was noted that this level of assurance was not unusual because of the complexity of this area of work.

The committee noted that the recommendations related to issues which would be a concern in a funding audit. It was agreed that the report should be shared with the Standards committee which was looking at issues relating to apprenticeships. The management of off the job hours was noted to be critical and Gareth Jones asked about resourcing to ensure compliance. Debbie Holland advised that the structure for managing this was being reviewed and the Standards committee would be able to look at the effects of this. Once the restructure is in place KPIs will be developed by Debbie and ICCA to monitor in year progress. Further action may be necessary if an ESFA audit is imminent. The committee discussed the implications of the report and noted that Debbie needs to work with the Apprenticeships Operations Manager to address the issues raised.

e) HR and Payroll

This report carried a Substantial assurance opinion with one low level recommendation.

Andy Atkins asked about the segregation of duties in HR and payroll when a staff member performed a dual role. It was explained that this was achieved through the requirements for counter signatures.

7. ANNUAL ACCOUNTS 2023-24

Members received a report from Chief Operating Officer on the annual accounts and Gareth Jones presented the audit findings.

It was noted that there were still one or two points to complete on the accounts. Work is well progressed but a little behind schedule and RSM are anticipating a clean audit opinion. It was noted that the finance team had been really stretched because of staffing issues. On the Going Concern assurance, Gareth commented that cash was tighter than previously but was still comfortable. It was agreed that the Finance and Resources committee should continue to monitor debt recoverability and cash management.

The committee was advised that there was a potential issue next year about garden leave. This potential control issue arose from a failing on the part of the ESFA although the college believes that it has consent for the arrangements made. In response to a query from Sandra Williamson, members were told that this was likely to be resolved early next year and it was agreed that it should be added to the action log for monitoring.

Sandra Williamson proposed that some of the control points raised could contribute to the internal audit plan. It was noted that the final version of the audit findings report would have the management responses included.

Daran Bland suggested that there is a need to ensure the finance department has sufficient resource and this should be noted on the risk register. The Finance and Resources committee should maintain oversight of this to ensure that it is resolved ●

The committee accepted the information presented and approved the required statements to be passed on to the Corporation to allow the accounts to be signed off. Sandra Williamson thanked the teams involved in the audit and production of the accounts.

8. RISK MANAGEMENT ANNUAL REPORT 2023-24

Members received a report from the Chief Operating Officer on Risk Management.

Members reviewed the contents of the Risk Register and proposed updated Risk Management Policy. The Risk Management Policy was approved.

Daran Bland asked about risk mitigations. It was suggested that the committee should look in detail at a selected risk as well as looking at mitigations more generally. ●

The committee agreed that the RSM briefing on Emerging Issues considerations should be shared with all Corporation members. ●

9. COMMITTEE PERFORMANCE MONITORING

Members received a report from the Clerk to the Corporation on the committee's performance in 2023-24. The contents of the committee's annual report to the Corporation, which included a review of the committee's performance, were approved.

It was agreed that the committee's targets for 2023-24 to be suggested to the Corporation should be:

- 80% attendance at meetings
- Deep dives of key risks
- Monitor the capacity and effectiveness of the Finance and Apprenticeship teams

10. ESFA REGULARITY QUESTIONNAIRE 2023-24

Members received and reviewed a copy of the completed Regularity Questionnaire.

11. AUDITORS' PERFORMANCE

Scott Winter, Gareth Jones and Harvey Mudd left the meeting at this point.

Debbie Holland presented draft reviews of auditors' performance. No major issues had been identified with either audit service and the reviews were approved. It was noted that both were entering their final contract year.

12. FRAUD AND CORRUPTION REPORTING

Debbie Holland confirmed that there was nothing to report.

13. MEMBERS' CPD REQUIREMENTS

Members were reminded of training opportunities which are made available. Details of online training modules will be circulated. ●

14. MEMBER SKILLS

Andy Atkins advised that he would be stepping back from an audit role and it was agreed that the Search and Governance committee should be asked to look at recruiting additional audit expertise. ●

15. MEETINGS

It was noted that the next meetings of the committee would take place on Teams on 27 March and 12 June 2025.