

**Minutes of the Audit Committee (AC) meeting AC23.3 by video-conference on Wednesday 26 June 2024
Long Road Sixth Form College, Cambridge**

Present: Sebastian Rasinger (committee Chair), David Evans, Hugo Macey, Gavin Sheffield and Alex Wong

In attendance: Yolanda Botham (Principal), Charlotte Hemmins (Finance Director) and Hugh Swainson from Buzzacott (for agenda item 5 only)

Clerk: Anne-Marie Diaper

Ref **Actions:**

AC23.2.1 Apologies
Apologies for absence were received from Gary Bourton.

AC23.2.2 Declarations of Interest
None.

AC23.2. Minutes of AC22.2 held on Wednesday 22 March 2024
The minutes of the last meeting were approved by the committee as a true and accurate record.

AC23.2.4 Matters arising
The AC Chair referred to the unanimous vote taken at the Board on 25 June 2024 to go ahead with the formation of The Sixth Form Colleges Trust, to be established, jointly with The Sixth Form College, Colchester, with effect from 1 September 2024. This therefore would be likely to be the last meeting of this Corporation's Audit committee.

AC23.2.5 Financial Statements Audit to 31 August 2024
Hugh Swainson from Buzzacott (FSA) presented this agenda item. He reported that the external audit would cover a 13-month set of accounts, following approval by the ESFA, due to the academisation project, this was mapped out on page 4 of the report. Though this was a different timetable for the FSA, they were comfortable with the timetable, set out on page 7 of the audit plan. He pointed out that a new engagement letter would be drafted for the new entity. The Trust Board would be responsible for approving this year's (2023/24 to 31 August 2024) set of accounts and the balance sheet reconciliation will reflect the 13-month accounting period presenting full assets and liabilities to 31 August 2024. He clarified that the audit would not be handled from a going concern perspective due to the organisational change and the report will make this clear. Other than those few points already articulated, he pointed out that the audit would run as usual. The strategic MAT project he explained would create a small amount of additional work leading to a small increase in fees (shown on page 14).

The AC members did not raise any questions for the FSA on the audit. The committee thanked the FSA for their support throughout the period of their 5-year contract, which was coming to an end.

The FSA left the meeting at 5.18pm.

Ref**Actions:****AC23.2.6 Audit assurance mapping including internal/specialist audit plan for 2024/25**

Assurance map. The FD reminded the AC of their duty to discharge their responsibilities to meet requirements for the College in current form, to the end of this academic year, but this was to be the last time the AC would review the assurance map. Risk oversight would be picked up as an LGB. There would be a new Risk management policy and College risk register as set out in the draft Trust Scheme of Delegation.

She pointed out that the current assurance map had been updated for any new assurances or work in progress. The outcome of a JCQ inspection that had occurred during the exam period was positive. She referred to sections of the map including the financial health report from the ESFA, and the outcome of the public consultation from the MAT project. She went on to explain that MATs are required to report more extensively on internal audit, and The Sixth Form Colleges Trust would be likely to appoint an internal auditor.

The AC did not raise any comments on the assurance map.

Internal audit plan. The FD set out the internal audit plan for Long Road, showing specialist audits prioritised to be carried out. She pointed out that both Colleges (within the Trust) would feed into the internal audit plan going forward. Whilst the Trust would take on some responsibility for key areas, the operational responsibility for those areas (such as H&S) would remain with Colleges.

The meeting noted that this would be carried forward to the new Trust wef 1 September 2024.

AC23.2.7 Risk management

Several reports were presented under this item.

Termly update to risk register and action plan 2023/24. The risk register was presented with a few termly updates. There was a short discussion about the public sector pay review. Unions were inputting to the early pay negotiations, but recommendations were not yet known, but an allowance had already been made in the College budget for this. The AC touched on the risk of industrial action, and, unrelated, the cost of living in Cambridge.

The AC discussed risks relating to curriculum review, and possible impact of the forthcoming general election, IT migration as part of academisation, IT finance systems, cyber resilience, with some probing from AC members. The FD commented that for the Trust planning was in hand for new robust technological functioning considerations, and Colleges were continuing to be alert for phishing attempts.

Academisation risk register. The FD pointed out that this register presented a snapshot of the risks for LRSFC as part of the MAT project, not for the MAT itself. Some risk ratings were expected to change shortly, or even become removed (eg. consultation), as the project made progress.

Ref**Actions:**

Risk annual report 2023/24. The FD presented the AC's annual risk report to Corporation that College has provided robust assurance, sound system of internal control, for the year end.

The Risk Management policy would be re-written for the Trust going forward, with ultimate responsibility for strategic risks resting with the Trust Board.

AC23.2.8 Committee review of key policies

Data protection/GDPR policy. The GDPR policy was presented for committee recommendation for Board approval with no changes recommended. The FD advised that new legislation would come into force in the autumn of 2024 at which time this policy would return for further review. She pointed out that it was possible that Colleges may have their own DP policies and this policy could carry across on 1 September, but it is possible that the MAT may centralise this area, going forward.

A Governor asked about the process for approving MAT policies. The FD advised that there was a list of policies that must be published by academy Trusts, and therefore those must be cross-MAT policies, but many may in the first instance be ported across. These policies for early review will be HR ones.

The AC agreed to recommend the DP/GDPR policy for Board approval as presented.

Board**AC23.2.9 Financial regulations, procedures and appendices**

These were, under the committee Terms of Reference, for AC recommendation for Board approval. The FD explained that a new set of financial regulations would be developed for the Trust, but these were presented to satisfy the committee's role for this year. Amendments were shown by tracked changes.

A Governor commented that the formatting of the financial regulations and procedures should receive attention at the next review, but otherwise the committee would recommend these for Board approval.

Board**AC23.2.10 Post-16 Audit Code of Practice**

The Clerk presented a short paper about the updated P16ACOP 2023/24. It was explained that this was published at the end of March 2024, a few days after the AC last met.

The P16ACOP was only relevant to the College in its current form (as an FE College) and was only for the current year. The AC noted the minor changes and references, and this agenda item ended with no further discussion.

AC23.2.11 Review committee Terms of Reference, meeting dates and business plan for 2024/25

The AC Chair reminded the meeting that the AC ToR and meeting dates were prepared for the Corporation, before the decision was known

Ref**Actions:**

whether the formation of the Trust would go ahead. The AC wef 1 September 2024 would be a new committee of the Trust Board, with new membership, and new dates would be shared for those meetings.

AC23.2.12 Any other business

None.

AC23.2.13 Date of next meeting

Due to the Corporation's resolution to dissolve and form a Trust, taken on 25 June 2024, the AC Chair reported that this was likely to be the final meeting of the Long Road Sixth Form College Corporation's Audit committee.

The AC thanked the parent Governor, David Evans, who was coming to the end of his 2-year term of office. The AC Chaired thanked the senior leadership team and the Clerk for their handling the business of the AC so effectively for many years, and all thanked the AC Chair/Corporation Vice Chair for his leadership on the AC. *The meeting closed at 6.20pm.*