



Audit Committee Meeting

To be held on Tuesday 1 December 2020 at 17:30

Via Microsoft Teams

AGENDA

Item:		Page:	Lead:
21.1	Apologies		Clerk
21.2	Declarations of Interest Members are asked to declare any Interests, financial or otherwise, which they may have in any Agenda Item		Chair
21.3	Audit Committee Concerns Members are invited to raise any issues which they wish to discuss in the absence of College Management and Auditors <i>The auditors will join the meeting at this point</i>		Chair
21.4	Auditor Concerns Auditors are invited to raise any issues which they wish to discuss in the absence of College Management <i>Members of the College Executive will join the meeting at this point</i>		Chair
21.5	Minutes of the Previous Meeting To approve the Minutes of the meeting held on 30 June 2020	6	Chair
21.6	Matters Arising To monitor action taken, and remaining to be taken, in respect of Matters Arising from the Minutes of previous meetings	16	Chair/ KK
21.7	Determination of any other Urgent Business		Chair
21.8	Audit Committee Performance Review To monitor the effectiveness of the Audit Committee in 2019/20 To review the Terms of Reference for the Audit Committee and recommend changes to the Corporation for approval where appropriate	64	KK
21.9	2019-20 Financial Statements a) Engagement Letter To receive and note the Engagement Letter with KPMG dated 5 November 2020. To recommend approval by Corporation on 15 December 2020.	79	KPMG

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<p>b) Regularity Self-Assessment Questionnaire</p> <ul style="list-style-type: none"> • To review the Regularity Self-Assessment Questionnaire • To recommend that the college accounting officer and Corporation Chair sign the Regularity Self-Assessment Questionnaire 	89	CC/KK
<p>c) External Audit Report to the Audit Committee</p> <ul style="list-style-type: none"> • To review the findings of the audit with the external auditor. This shall normally include but not be limited to, the following: <ul style="list-style-type: none"> • a discussion of any major issues which arose during the audit • any accounting and audit judgements • levels of errors identified during the audit • the effectiveness of the audit • To advise the Corporation on control issues included in the External Auditors Report to the Audit Committee in respect of the accounts of Heart of Worcestershire College for the year ended 31 July 2020 and on management's response to these and recommend the External Auditors Report to the Audit Committee to the Corporation for approval 	112	KPMG
<p>d) Letter of Representation</p> <ul style="list-style-type: none"> • To receive confirmation from College Management that the contents and representations in the Letter of Representation are appropriate, that risk management and internal controls have operated effectively in their areas of responsibility throughout 2019/20 and that that the College has complied with the Financial Memorandum • To review the Letter of Representation for the year ended 31 July 2020 and to recommend it to the Corporation for approval 	137	CC
<p>e) Going Concern Review</p> <ul style="list-style-type: none"> • To receive confirmation from College Management that the going concern basis remains appropriate • To receive the cashflow forecast for the period to 31 July 2022 	145	CC
<p>f) Financial Statements</p> <ul style="list-style-type: none"> • To monitor the integrity of the annual financial statements, reviewing significant financial reporting issues and judgements which they contain; In particular reviewing and challenging where necessary: <ul style="list-style-type: none"> ○ the consistency of, and any changes to, accounting policies ○ the methods used to account for significant or unusual transactions where different approaches are possible ○ whether the college has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor 	To Follow	CC/SL/ NW

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<ul style="list-style-type: none"> ○ the clarity of disclosure in the company's financial reports and the context in which statements are made; ○ all material information presented with the financial statements, such as the Statement of Corporate Governance and Internal Control (insofar as it relates to the audit and risk management) • To review the statements to be included in the annual report concerning internal controls and risk management • To recommend the Heart of Worcestershire College financial statements for the year ended 31 July 2020 to the Corporation for approval 		
<p>g) Teachers' Pension Statement</p> <ul style="list-style-type: none"> • To note the Engagement Letter with KPMG • To receive the Teachers' Pension Statement 	154	KPMG
<p>h) Subsidiary Company Accounts</p> <ul style="list-style-type: none"> • To note the Molinna Ltd and NEWCEL Accounts 	189	CC
<p>21.10 Internal Audit:</p> <p>a. Annual Report 2019/20 To advise the Corporation on the Internal Auditor's Annual Report for the year ended 31 July 2020 and recommend the Internal Audit Annual Report for Corporation approval</p> <p>b. Internal Audit Progress Report To receive the Internal Audit Progress Report</p>	205	RSM
<p>21.11 Audit Committee Annual Report</p> <ul style="list-style-type: none"> • To produce the Audit Committee's Annual Report to the Corporation for the year ended 31 July 2020 • To delegate authority to the Audit Committee Chair to approve the final version for submission to the Corporation 	231	KK
<p>21.12 Risk Register and Assurance Framework</p> <p>a) Risk Management 2019/20 Report To review the Risk Management Report and recommend it to the Corporation for approval</p> <p>b) Risk Management Plan for 2020/21</p> <ul style="list-style-type: none"> • To consider the Audit Committee's approach to monitoring Risk in 2020/21 • To receive a brief summary of assurances in key areas <p>c) Strategic Risk Register – Autumn Term 2020</p> <ul style="list-style-type: none"> • To monitor the College Risk Register and to recommend it to the Corporation for approval 	240	NW
	245	NW
	257	NW
<p>21.13 Annual Procurement Report To review the Procurement Report for 2019/20 and recommend it to the Corporation for monitoring</p>	To Follow	CC
<p>21.14 Students Union Accounts To recommend the Students' Union Accounts for the year ended 31 July 2020 to the Corporation for approval</p>	278	CC

Item:	Page:	Lead:
21.15 Any Other Urgent Business	-	Chair
21.16 Date and Time of Next Meeting Tuesday 9 March 2021, 17:30 via Microsoft Teams	-	Chair
<i>The Auditors will leave the meeting at this point</i>		
CONFIDENTIAL ITEMS		
21.17 See separate Agenda and Papers		
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21.19		

Kay Kavanagh
Clerk to the Corporation