



MINUTES OF THE AUDIT COMMITTEE
HELD ON TUESDAY 3 JUNE 2025
AT 5pm IN THE EXCHANGE BOARD ROOM AND VIA MICROSOFT TEAMS

PRESENT:

Taiyab Sufi	Member (Chair)
Dr Fazal Dad	Principal and Chief Executive
Ojan Rohani	Member
Sharjeel Salahuddin	Member
David Swift	Member

IN ATTENDANCE:

Jennifer Eastham	Vice-Principal: Finance and Corporate Services
Kashif Azeem	RSM - Internal Audit
Annalee Hurley	Beever & Struthers
Suzanne Lomax	Beever & Struthers
Sarah Horeesorun	Director of Governance

The meeting commenced at 5pm and was quorate.

The Chair welcomed everyone to the meeting.

1. PRESENTATION: INTERNAL AUDIT PLAN 2025/26

Kashif Azeem, RSM, talked the Committee through the Internal Audit (IA) Strategy 2025/26 explaining how this was developed analysing corporate objectives, the risk profile and assurance framework, plus factors impacting the College and sector.

The IA core Team would be Lisa Randall and Kashif Azeem, with specialists, and using a technology toolkit where needed, to deliver the five audits listed below, in addition to Follow-Up on previous IAs.

The IA Plan and associated IA Charter were agreed in principle on the basis that changes were made as detailed above and would be shared with the Board for approval.

The Committee thanked Kashif Azeem.

2. APOLOGIES FOR ABSENCE

Apologies were received in advance from Committee member, Massoud Akbari, and from Lisa Randall, RSM.

3. DECLARATION OF CONFLICTS OF INTEREST

The Chair advised those in attendance that should members of the Audit Committee become aware of any potential conflicts of interest, they should be disclosed at the earliest opportunity during the meeting.

4. MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON TUESDAY 25 FEBRUARY 2025

Having canvassed the Committee, and in the absence of any comment, the Minutes of the Audit Committee held on Tuesday 25 February 2025 were **AGREED** as a true and accurate record.

5. MATTERS ARISING

The Committee noted the updates on the actions from previous meetings. There were no other matters arising.

6. AUDIT COMMITTEE MEETING DATES, TERMS OF REFERENCE AND CALENDAR OF BUSINESS

The Director of Governance explained that all Committees reviewed their relevant Terms of Reference annually and that an exercise had been completed to create a forward look of likely agenda items (calendar of business) and to identify dates for meetings in 2025/26 and 2026/27.

Only minor changes to the Terms of Reference were proposed, highlighted in red on the document, including mention of DfE rather than ESFA, and the College Financial Handbook replacing the Audit Code of Practice. A member queried the membership of the Committee and if two, rather than three, Governors was an option. The Director of Governance explained that three Governors was the minimum to be quorate, per the Standing Orders. This was accepted by the Committee and a request made to change the wording from 'must' to 'should' be Governors.

Action: Director of Governance

It was **AGREED** that the Terms of Reference be updated and, pending these changes, the Audit Committee were content for the following to be **RECOMMENDED** to the Board for approval:

- Meeting dates 2025/26 and 2026/27
- Calendar of Business 2025/26
- Terms of Reference

7. UPDATE ON THE OFS HE ILR DATA AUDIT ACTION PLAN

The Audit Committee had previously agreed to oversee progress on the response to the OfS HE ILR Data Audit and agreed action plan. The Vice-Principal: Finance and Corporate Services provided the Committee with a progress update.

8. COUNTER-FRAUD CHECKLIST

The Vice-Principal: Finance and Corporate Services informed members that the Post-16 Audit Code of Practice (ACoP) had been replaced by sections in the College Accounts Direction and College Financial Handbook. The ACoP had previously had a section on Fraud. As yet, this had not been replaced; however, the College would maintain its vigilant stance and retain both the strategy and the annual review of the action plan, thus maintaining a system of internal control to ensure compliance and to prevent and detect irregularities and suspected fraud (including theft, bribery, and corruption). The Counter Fraud Action Plan was attached at Appendix 1. The Counter Fraud Strategy would be reviewed in November 2025.

In discussion the Vice-Principal confirmed that there had been no instances of fraud under the current management and the Director of Governance confirmed that there was a Whistleblowing Policy and this was easily accessible to staff.

9. INTERNAL AUDIT REPORTS, PROGRESS AND FOLLOW-UP

Kashif Azeem, RSM, provided information on the outcomes and progress of Internal Audits(IA) undertaken.

9.(i) Student Journey

Kashif Azeem explained the IA methodology and sample sizes.

9.(ii) Follow-Up

The Committee noted that follow-up on all 13 management actions from previous Internal Audits had been implemented.

9.(iii) Progress Report

The Vice-Principal: Finance and Corporate Services informed members that the Director of MIS/IT would be taking forward the actions identified in the ILR Data Audit.

The Committee thanked Kashif Azeem for the updates.

10. INTERNAL AUDIT – ACTION POINT STATUS

This Report provided the Audit Committee with an update on progress towards the completion of recommendations following the Internal Audits that had been undertaken by RSM in 2024/25. The Vice-Principal: Finance and Corporate Services added that some of the actions had been implemented since the Reports were written.

The Committee noted the update on the content of the Report.

11. AUDIT PERFORMANCE INDICATORS 2024/25 UPDATE

The Vice-Principal: Finance and Corporate Services presented an update on the Audit Performance Indicators for 2024/25 which assisted the Committee in assessing risk. The Report included information on Compliance, Financial Health, Solvency, Debtors, Creditor days, Financial Health, Debt parameters and Loan covenants. It was noted that with the exception of Creditor Days and Debt Parameters, all KPIs were 'green'. Creditor Days and Debt Parameters would not be cleared until the Financial Statements for 2024/25 were completed. The detail was supplied in Appendix One.

The Audit Committee noted the performance against the approved performance indicators for 2023/24.

12. RISK MANAGEMENT – RISK REGISTER 2024/25 - UPDATE

The Committee, in its role to regularly review the potential risks to the College operations and strategic direction, discussed the issues included in the College Risk Register for 2024/25.

The risk rating for each risk was determined using the Board approved Risk Management Policy. Using the RAG rating, the Committee noted that two risks were currently rated as red and were satisfied with the mitigating actions and controls in place to effectively manage these. A new risk, CC8 Ready to Learn centre, had been added and was covered in Item 1 of this Agenda.

Committee members agreed with the changes and **AGREED** the Risk Register, proposing this to the Board for discussion and comment at its July meeting.

13. EXTERNAL AUDIT PLAN 2024/25

Suzanne Lomax and Annalee Hurley, Beever and Struthers, introduced themselves formally to all present and explained that they would be working with the College to support the production of the Financial Statements this year.

Annalee talked through the Audit Plan overview, timing and approach, and informed the Committee that the planning activities had been completed and no issues identified. Having successfully completed and delivered on the College's Financial Statements since 2021/22, Beever and Struthers had revisited the materiality to ensure that this was still appropriate.

The Committee **ACCEPTED** the Report.

14. UPDATE ON POST-16 AUDIT CODE OF PRACTICE

The Vice-Principal: Finance and Corporate Services informed members that the Post 16 Audit Code of Practice (ACoP) had been replaced by three separate documents College Accounts Direction, Framework for Auditors and Reporting Accountant of Colleges and the College Financial Handbook. However, other than the information that was once held in one document now being in three, there was very little impact.

The update and Report were noted by the Committee.

15. UPDATE ON AoC FURTHER EDUCATION CODE OF GOOD GOVERNANCE

The Director of Governance reminded members that the Audit Committee reviewed the Colleges performance against the Code of Practice annually to provide assurance to this Committee, and likewise the Governance Panel and the Corporation Board.

The Governance Panel had reviewed the progress against the suggested enhancements of the External Governance Review, and this Report was helpfully included with this Item to evidence compliance, progress and work underway.

The Committee noted the update within the Report and thanked the Director of Governance.

16. AUDIT SCHEDULE 2024/25

This Report was provided to the Audit Committee for information and contained the dates and details of both the Internal and External Audit schedules for 2024/25.

The Committee noted the content of the Report.

17. DATA RETURNS MONITORING REPORT 2024/25

This Report was provided for information and confirmed that funding and data returns had all been submitted on time, so far, for 2024/25, and the remaining dates in 2025 for returns.

Members noted the content of this Report.

18. ANY OTHER BUSINESS

There were no items discussed under Any Other Business.

19. REVIEW OF MEETING

The Chair thanked everyone for their contributions to the Committee discussions.

20. DATE AND TIME OF NEXT AUDIT COMMITTEE MEETING

Tuesday 16 September 2025 at 5.00pm.

Guests from RSM and Beaver and Struthers left the meeting ahead of PART II.