



Minutes of an Audit Committee Meeting held on

Monday 18th September 2017 at 4.30pm

Held in the Boardroom, South Building

Present: John Barrett
Stuart Brand
Dave Busst.
Peter Matthews
Tony Minhas (Chair)

In Attendance: Mr Peter Brammall, Principal
Mr Jim Edwards, Clerk to the Corporation
Mr Mark Payne, Vice-Principal Finance and Resources
Mr Robin Pritchard, Gateway Assure

A1/17 Appointment of Chair

Mr Tony Minhas was unanimously appointed as Chair of the Audit Committee.

A2/17 Apologies for Absence

Apologies for absence were received from Mr Ieuan Blackmore and Mr Paul Oxtoby, RSM UK Ltd

A3/17 Declarations of Interest

There were no declarations of interest.

A4/17 Appointment of Internal and External Auditors

1. The Vice Principal Finance and Resources presented a proposal for the appointment of the College's internal and external auditors.
2. The former City College and Henley College internal auditors were BDO LLP and Gateway Assure respectively. Whilst there is no statutory need to appoint an internal auditor for the College, it is proposed that it represents best practice to do so; not least because the external auditors are reliant on the internal auditors during their financial statements and regularity audits. If the College did not retain an internal audit service, it would still be required to establish processes in order to provide Governors with assurance that adequate systems and controls are in place.
3. A two-stage procurement process for appointing an internal auditor for the College is suggested; namely, a presentation by the two previous incumbents to a sub-group of the Audit Committee with the view of appointing one of them for a one-year contract. Thereafter, the College would go out to tender to appoint the internal auditor for a three-year period. Governors debated whether the initial contract should be extended to two years, and it was suggested that this would provide for stability and continuity during a period of change in the College.

4. In terms of the external auditor, both former colleges had engaged RSM UK Audit LLP, and it is proposed that, after the completion of the 2016-17 audit, and subject to continued satisfactory performance, they would be appointed to conduct the 2017-18 audits.
5. Governors considered the proposals for the appointment of the internal and external auditors, and resolved:-
 - i) to agree that the College should retain an internal audit service;
 - ii) to agree that Gateway Assure and BDO LLP should be invited to present to a sub-group of the Audit Committee and managers (John Barrett, Peter Matthews, Mark Payne, Martin Harrington) with the view of awarding a two-year contract.
 - iii) to agree that RSM UK Ltd should be appointed to conduct the 2017-18 audits, subject to their continued satisfactory performance during the 2016-17 audits.

C5/17 External Audit Letter of Engagement

1. The Vice Principal Finance and Resources presented Governors with the external audit plan and the fee proposal for undertaking the financial statements and regularity audits for the former City College Coventry for the year ended 31st July 2017.
2. The plan provides details of the scope of the financial statements and regularity audit, the proposed audit approach, and the key risks that the audit would focus on. The final audit reports will be forwarded to the funding agencies as normal.
3. The primary responsibility for the external auditors is to form and express an opinion as to whether the financial statements of the College represent a true and fair view.
4. In terms of the regularity audit, the external auditors are also required to form an opinion on whether in all material respects the expenditure dispersed and the income received during the year ended 31st July 2017 has been applied appropriately, and that financial transactions have conformed to the requirements of the governing authorities of the College.
5. It was explained that the accounts will not be prepared on a going concern basis, because of the dissolution and merger with Henley College Coventry.
7. After due consideration, Governors resolved:-
 - i) to approve the External Audit Plan and fees for the former City College Coventry for the year ended 31st July 2017.

C6/17 Annual Plan of Business

1. The Clerk to the Corporation presented Governors with the proposed plan of business for the Audit Committee in 2017-18.
2. Governors resolved:-
 - i) to approve the annual plan of business for the Audit Committee in 2017-18.

C7/17 Dates of the next meetings

The dates of the next meetings were confirmed for:-

- Monday 27th November 2017, 4.00pm
- Monday 5th February 2018, 4.00pm
- Monday 4th June 2018, 4.00pm

C8/17 Publication of Documents

The publication of papers was approved without exception.

Meeting opened 4.30pm

Meeting closed 5.00pm

JE