

MINUTES OF THE AUDIT COMMITTEE MEETING
HELD VIA TEAMS ON TUESDAY, 24th JUNE 2025

Meeting Commenced: 1.00 p.m.
Meeting Closed: 1.35 p.m.

Present:

Liaqat Ali	Independent Corporation Member - Chair
Anne Holt	Business Support Staff Member
Phil Johnson	Independent Corporation Member
Stephanie Nixon	Independent Corporation Member
Danny Weidenbaum	Co-opted Committee Member

In Attendance:

Scott Gillon	WBG
Daniel Hassan	Validera
William Mcgillivray	Clerk to the Corporation Designate
Tracy Pulein	Vice Principal Finance and Corporate Resources
Peter Ryan	Clerk to the Corporation
Becky Tootell	Deputy Principal

AC24/25.25	<u>APOLOGIES FOR ABSENCE (AGENDA ITEM 1)</u>
	Apologies for absence were received from Vicky Hayhoe.
AC24/25.26	<u>DECLARATIONS OF INTEREST (AGENDA ITEM 2)</u>
	The Internal Auditor declared an interest in item 10f and the External Auditor in item 10g. The Clerk Designate declared an interest in items 8a+b in his capacity as external funding manager. There were no other declarations of interest in relation to any of the items on the agenda for the meeting.
AC24/25.27	<u>STANDING ITEM – Meeting between Auditors and the Audit Committee (AGENDA ITEM 3)</u>
	The Audit Committee agreed that there was no reason to meet with the Auditors to the exclusion of College Management.
AC24/25.28	<u>MINUTES (AGENDA ITEM 4)</u>
	The Minutes of the Audit Committee meeting held on 4 th March 2025 were approved and signed electronically as a true and correct record.
AC24/25.29	<u>MATTERS ARISING (AGENDA ITEM 5)</u>
	The Clerk presented the Matters Arising Report and advised the Committee that all agreed actions had been implemented.
	It was Resolved that the contents of the report and management actions implemented should be noted.
AC24/25.30	<u>INTERNAL AUDITORS (AGENDA ITEM 6)</u>
	a) Validera Internal Audit Report 2024/25 Follow Up Daniel Hassan presented the report and confirmed that: <ul style="list-style-type: none"> Based upon the work undertaken and findings within this report in our opinion the Corporation is able to take an overall adequate level of assurance that the controls upon which the organisation relies to manage risks material to the achievement of its objectives are suitably designed and applied.

	<ul style="list-style-type: none"> • In the Audit Recommendations Tracker, 8 recommendations were marked as Implemented, 7 of which were verified, however one action in relation to HR Recruitment Framework – Interview Documentation, had not been completed. The VP confirmed that this action had now been implemented; and • As potential areas for improvement, it was recommended that each of the data points within the Tracker should be provided its own column to make the report easier to digest. Also, the Tracker was currently maintained in Word; the use of Excel could provide some basic automation, conditional formatting and presentation. <p>Following discussions, Members agreed that the Audit Recommendations Tracker should be amended to include columns for each data point and that the format of the report was a matter for the author of the report.</p>
	<p>It was Resolved that:</p> <ul style="list-style-type: none"> i. The contents of the reports should be noted; ii. The Audit Recommendations Tracker should be amended to include columns for each data point; and iii. The format of the report was a matter for the author of the report.
	<p>b) Validera Internal Audit Progress Report 2024/25</p> <p>Daniel Hassan presented the report and confirmed that the IAS was approved by Committee at its June 2024 meeting and the Corporation in July 2024. There had been no amendments made in this period and all Audit Briefs had been completed within agreed timescales.</p> <p>In respect of the forecast Annual Opinion, currently there were no individual findings arising from the work which Validera consider significant enough to impact negatively upon their overall Annual Opinion in respect of the organisation's risk management, governance and control processes; however, this opinion would be provided based upon all the evidence available to the Head of Internal Audit at the end of the financial year.</p>
	<p>It was Resolved that the contents of the report should be noted.</p>
	<p>c) Internal Audit Strategy and Plan for 2025/26</p> <p>Daniel Hassan introduced the report and confirmed that Validera's audit approach was risk based. In order to identify the areas where internal audit input may realise most value, Validera needed to understand the risks facing the organisation and the perceived level of risk these represent to the achievement of objectives. When undertaking the ANA, Validera had:</p> <ul style="list-style-type: none"> • Confirmed core objectives and specific key risks recognised by the organisation through analysis of key documents and discussion; and • Identified and considered the sources of assurance available to identify where internal audit is the appropriate assurance provider; • Validera held refresh discussions with Tracy Pullein, Vice Principal – Finance and Corporate Resources, Vicky Hayhoe, Head of Financial Services and William McGillivray, Clerk Designate, to discuss the continuing internal audit activities and gain input to the future direction of audit activities; and • The number of audit days had been increased to 31 (29 in 2024/25) to accommodate a review of the newly implemented Sage Ion finance system to ensure a smooth transition from the previously utilised Civica Solution. <p>It was confirmed that the draft plan was fully flexible. Members of the Committee reviewed the draft plan and it was considered that:</p> <ul style="list-style-type: none"> • The level of audit resource was accepted by the Committee and agreed as appropriate to provide the assurance it required; and • The Plan reflected the areas that the Committee believed should be covered as priority for 2025/26.

	It was Resolved that: i) The contents of the report should be noted; and ii) A recommendation be made to the Corporation to approve the Internal Audit Strategy and Audit Plan 2025/26.
AC24/25.31	<u>EXTERNAL AUDITORS (AGENDA ITEM 7)</u> <i>External Audit Plan 2024/25 and Letter of Engagement.</i> Scott Gillon, WBG presented the Preliminary Audit Plan and Letter of Engagement for the Bury College Financial Statements and Regularity Audit for the year ending 31 st July 2025. The Audit Plan had been prepared to provide the Audit Committee with an overview of the preliminary audit planning procedures in relation to the financial statements of the College for the year ended 31 st July 2025. The Letter of Engagement detailed the scope of service in relation to the Regularity Audit of the Financial Statements, there were no changes to the standard terms of business by WBG (Audit) Limited. Scott Gillon highlighted the following: <ul style="list-style-type: none"> • The Audit Approach; • Audit objectives; • Accounting Estimates and Related Disclosures; • Key Risk Areas; • The Risk Matrix; • The Audit Team and Independence; and • Audit and Reporting Timescale. <p>Following discussion, it was confirmed that the 5 key risk areas outlined in section 3.4 were not specific to the College. The first 2 risk areas were mandated by accounting standards and the remaining 3 were sector specific risk areas.</p>
	It was Resolved that: i) The contents of the report should be noted; and ii) A recommendation be made to the Corporation to approve and sign the External Audit Plan for 2024/25 and the Letter of Engagement.
AC24/25.32	<u>OTHER AUDITS (AGENDA ITEM 8)</u> <i>a) Audit Certificate of Expenditure – of Skills Injection Fund 2 Project</i> Scott Gillon, WBG confirmed that in order comply with the terms and conditions of the Grant Funding agreement the College was required to commission an Audited Annual Certificate of Expenditure for the Skills Injection Fund (SIF) 2 Project, prior to submission to the Department for Education by 30 th April 2025 deadline. A signed Annual Certification of Expenditure had been produced and submitted to the DfE to meet grant funding requirements and deadlines. WGB's report concluded: “ In our opinion, having carried out our work in all material respects, the expenditure for the years ended 2023/24 and 2024/25 and the grant conditions have been met, and the grant funding has been spent for the intended purposes.”
	<i>b) Independent Assurance Report of FE Innovation Fund Project - Year 1</i> Scott Gillon, WBG confirmed that to comply with the terms and conditions of the Grant Funding agreement the College was required to commission an Independent Reasonable Assurance Report for Year 1 of the GM FE Innovation Project, to be submitted to Innovate UK by 30 th April 2025. A signed Independent Reasonable Assurance Report (Accountant's Report) had been produced and submitted to meet grant funding requirements and deadlines. WGB's report concluded: “Except for any errors or reservations noted hereunder, in our opinion the schedule has been prepared, in all material aspects, in accordance with the terms and conditions of the Offer

	<p>Letter.</p> <p>Such errors and reservations include:</p> <p>Other cost expenditure and materials expenditure incurred and included in the claim totalling £6,124.98 had yet to be defrayed at the period end date 31/03/2025. From testing undertaken we can confirm the total amount defrayed of £6,124.98 was paid between the period end date and the date of this report.”</p>
	It was Resolved that the contents of the reports should be noted.
AC24/25.33	POLICY ACTIONS (AGENDA ITEM 9)
	a) Anti-Fraud Checklist
	<p>The Clerk confirmed that the Post-16 Audit Code of Practice had now been superseded by the Framework and Guide for External Auditors and Reporting Accountants of Colleges. Annex D of the Code detailed an Anti-fraud checklist for post-16 providers which has not been included within the new Framework document. It was therefore proposed to continue to use the checklist until any further guidance is issued.</p> <p>Members reviewed the College position in respect of the 10 questions contained within the checklist and agreed that no additional actions were required.</p>
	<p>It was Resolved that:</p> <p>i) The contents of the report should be noted; and</p> <p>ii) The College position in respect of the Anti-Fraud Checklist is approved.</p>
	b) Fraud Risk Self-Assessment
	<p>The Clerk confirmed that on 10th March 2020, the Audit Committee reviewed the Internal Audit report - GDPR Framework for Senior Staff Pay and Anti-Fraud Arrangements. This included the following action:</p> <p>“The College will undertake a documented fraud risk self-assessment exercise in order to demonstrate how the area’s most vulnerable to suspected fraud have been identified. This will be used to highlight the controls and proposed actions for a range of identified fraud related risks. The self-assessment document will also be used to assign management owners and timeframes to the related tasks, which will be monitored by management and/or governors on an ongoing basis.”</p> <p>Members reviewed the updated version of the Fraud Risk Self-Assessment and considered that risk were being managed effectively.</p>
	<p>It was Resolved that:</p> <p>i) The contents of the report should be noted; and</p> <p>ii) The Fraud Risk Assessment is approved.</p>
	c) Framework and Guide for External Auditors and Reporting Accountants of Colleges
	<p>The Clerk confirmed that Members of the Audit Committee would be familiar with the Audit Code of Practice which was normally updated annually with any changes reported to the Audit Committee. In March 2025 the DfE published the Framework and guide for external auditors and reporting accountants of colleges. This is the inaugural edition of the Framework and Guide and, for colleges, replaces the Post-16 Audit Code of Practice for accounting periods ending on or after 31st July 2025.</p> <p>The College and External Auditor will work in accordance with the Framework and Guide in respect of the annual accounts for the period ending 31st July 2025.</p> <p>Members commented that, in terms of assurance, the Guide was not as helpful as the Audit Code of Practice.</p>

	It was Resolved that the contents of the report should be noted.
AC24/25.34	MONITORING REPORTS (AGENDA ITEM 10)
	a) Risk Management Register
	<p>The Vice Principal confirmed that the College had a targeted Risk Management approach including a comprehensive College Risk Register with the same sections as the Strategic Plan. This risk assessment identifies the high risks that are monitored in detail by the Leadership Team throughout the year in the High-Risk Action Plan.</p> <p>The College Risk Register and the High-Risk Action Plan were reviewed by the Audit Committee on 25th November 2024. In order to comply with the College Financial Handbook 2024, the Risk Management Register was also reviewed at Corporation meeting on the 10th December 2024.</p> <p>The High-Risk Action Plan has now been updated on actions in Term 3 up to May 2025 by risk owners. The Leadership Team reviewed the updated High-Risk Register at their meeting on 18th June 2025.</p> <p>Members considered that the Risk Management Register accurately captured the Key Risks to be addressed by the College.</p>
	It was Resolved that the contents of the report should be noted.
	b) Audit Recommendations Monitoring Report Update
	<p>The Clerk introduced the report and asked Members to consider and note the Audit recommendations implementation tracking report, as of June 2025.</p> <p>Members noted that actions were on track for completion within agreed timescales. As agreed at item 6a the Audit Recommendations Tracker would be amended to include columns for each data point and the format of the report was a matter for the author of the report.</p>
	It was Resolved that the contents of the report should be noted.
	c) Accuracy of Funding and Data Returns
	<p>The Vice Principal Finance and Resources confirmed that the College had a good track record of accurate and timely funding and data returns and all Returns for 2023/24 were all completed timely and accurately and this had been maintained in 2024/25.</p> <p>The team worked diligently to accurately record all ILR data for the R04 return, ensuring an error free return with accurately recorded Study Programme Hours. This maximised student numbers which determined lagged funding for future years and supported any claim for exceptional in year funding for growth. The R06 was submitted early and time was spent resolving data issues to reduce the checking needed later in the year.</p> <p>The final ILR for 2023/24 was submitted on time and was extensively checked by the College to ensure maximum accuracy & funding. Additional audit review, undertaken by WBG as part of the year-end financial statements audit, identified no issues. Additional checks continued to take place to ensure the data submitted to funding bodies was accurate, error free and complete.</p>
	It was Resolved that the contents of the report should be noted.
	d) Fraud Log
	<p>The Clerk confirmed that the College Fraud Log was presented to the Audit Committee, in accordance with Bury College Anti-Fraud and Irregularity Policy. The Fraud Log recorded the nature of suspected/actual fraud/irregularity, actions taken to prevent reoccurrence and lessons learned.</p> <p>Members noted that there had been no additions since the last meeting of the Committee.</p>

	It was Resolved that the contents of the report should be noted.
	d) Gifts/Hospitality/Overseas Travel
	<p>The Vice Principal confirmed the following:</p> <ul style="list-style-type: none"> • Overseas Travel: <ul style="list-style-type: none"> • Details of 2 staff visits aboard were highlighted within the report; and • The College runs a small number of student trips abroad mainly for travel & tourism students. The aim was that they were cost neutral from student contributions. The cost of the trip was covered for the accompanying staff. There had been two trips in 2024/25. • Gifts & Hospitality – The Gifts & Hospitality procedure (an appendix to the Financial Regulations) was considered by the Audit Committee on 5th March 2024 and re-approved by the Corporation on 19th March 2024. A summary of items declared since the last Audit Committee meeting was highlighted within the report. <p>Members concurred with the Leadership Teams decision to waive the requirement to surrender a very personal gift that had been given by a group of students to a lecturer.</p>
	It was Resolved that the contents of the report should be noted.
	<i>Scott Gillon and Daniel Hassan withdrew from the meeting at 1.24 pm</i>
	f) Performance of the Internal Auditors 2024/25
	The Vice Principal introduced the report and confirmed that Vaildera provided a good quality internal audit service and provided good support and guidance.
	It was Resolved that the contents of the report should be noted.
	g) Performance of the External Auditors 2024/25
	The Vice Principal introduced the report and confirmed that WBG had provided a good quality external audit service and provided good support and guidance.
	It was Resolved that the contents of the report should be noted.
AC24/25.35	FEEDBACK FROM THE AOC/RSM AUDIT MASTERCLASS 13TH MAY 2025 (AGENDA ITEM 11)
	<p>The Clerk Designate confirmed that he together with Phil Johnson and Stephane Nixon had attended the masterclass and a summary of the issues discussed and presentation slides were included within the report. Areas covered included:</p> <ul style="list-style-type: none"> • Context and Responsibilities of an Audit Committee; • Role and Remit of the Audit Committee; • Audit Code of Practice / Framework for auditors and reporting accountants of Colleges; • Working with Auditors; and • Risk Management and Assurance. <p>A key message was “The Audit Committee acts as the independent and objective conscience of the Board, asking the critical question ‘Do we really know what we think we know?’ and seeking assurances to answer it. The importance of this role should not be underestimated.”</p> <p>Committee Members who had attended the training provided the following feedback:</p> <ul style="list-style-type: none"> • The training was a good refresher/reminder of the purpose and remit of an Audit Committee and provided an external benchmark on the operation of the Committee at the College; • It confirmed that the Committee operated and had arrangements in place to provide assurance that systems and processes were working effectively; • The role of Governors as being “eyes on” and “hands off” was very helpful;

	<ul style="list-style-type: none"> The message via breakout rooms was to never take anything at face value and to dig/deep dive into key risk areas; and Further such training would be welcomed.
	It was Resolved that the contents of the report should be noted.
AC24/25.36	POST MEETING EVALUATION (AGENDA ITEM 12)
	The Clerk presented a summary of the post meeting evaluation responses from the meeting held on 4 th March 2025 and it was noted that the overall feedback was positive with no concerns having been highlighted.
	It was Resolved that the contents of the report should be noted.
AC24/25.37	DATE AND TIME OF NEXT MEETING (AGENDA ITEM 12)
	To be agreed at the Corporation meeting on 8 th July 2025

There being no further discussion the meeting closed at 1.35 p.m.

Signed and approved as an accurate record of the meeting

Signature.....Date.....

Summary of Actions - Audit Committee 24 th June 2025			
Item	Action	Person Responsible	Timescale
AC24/25.30 Internal Audit a) Follow Up Report	The Audit Recommendations Tracker should be amended to include columns for each data point;	Clerk	Audit Committee November 2025
AC24/25.30 Internal Audit c) Internal Audit Strategy and Plan for 2025/26	A recommendation be made to the Corporation to approve the Internal Audit Strategy and Audit Plan 2025/26.	VP	Corporation 8 th July 2025
AC24/25.31 External Audit Plan 2024/25 and Letter of Engagement.	A recommendation be made to the Corporation to approve and sign the External Audit Plan for 2024/25 and the Letter of Engagement.	VP	Corporation 8 th July 2025