



Ruskin College Oxford

Minutes of a special meeting of Audit Committee held on Friday 2 February 2018 at 10.00am in G.01 (The Board Room) Ruskin College, Oxford.

Present	In attendance
Ed Hart Mike Parker Kevin Flanagan (Chair for the meeting)	Paul di Felice (Principal) Ashok Patel (Interim Finance Director) Heather Cross (Interim Clerk) Sarah Mason (RSM - External Audit)

		Action
1.	<p>Apologies for absence Apologies for absence were received from Alan Shepherd, Theresa Hoenig and Andrew Lantry.</p> <p>Kevin Flanagan agreed to take the Chair for the meeting.</p>	
2.	<p>Declarations of interest None.</p>	
3.	<p>Minutes of the last meeting and any matters arising The minutes of the meeting held on 8 December 2017 were approved.</p> <p>Matters arising - Mike Parker requested as a relatively new member of the committee a copy of the governance action plan documentation dating from last year. The Clerk confirmed this material would be sent to him.</p>	
	Items to Approve	
5.	<p>Financial Statements and Members Report</p> <p><u>Financial Statements Auditor - Audit Findings report</u> The current Audit Findings report was circulated.</p> <p>Sarah Mason advised that she was pleased to report that it was now possible to issue an opinion without any qualification in respect of going concern. There were no issues to bring to the committee's attention. The income recognition work was now all satisfactorily concluded having been able to trace that the accounts did derive from the accounting records. It was noted that there was no holiday pay accrual, but as the staff numbers were not large, this was not considered material.</p> <p>There were two minor items which were still being sought for resolution, but the committee agreed that as they were not material, their resolution be delegated to the Finance Director.</p> <p>It was noted that the bank had decided to classify the college's loan with them as short term, as the covenant had been breached. The</p>	

committee accepted this position.

The control managements points put forward by the Financial Statements Auditor were noted as follows:-

- The college should address the appropriate generation of a trial balance - this was to be remedied by an addition to the electronic financial records.
- 3 accounts were not reconciled. The amounts in question were small, but should be addressed. Some building society accounts signatory records required amendment where no current signatories remained; the process was under way to make the amendments.
- Some bank statements were missing relating to an RBS account which had a small amount of funds and the account was not used, but the committee agreed that these should continue to be found in order to ascertain there were no issues concerning misappropriation of funds and the account then closed. The Interim Finance Director would provide a report on the matter.
- Holiday pay accrual should be calculated. It was reported that the appointment of a permanent HR Manager should allow for this to be carried out appropriately in future.
- A small number of notes to the accounts still required updating and when these were done, they would be reviewed by RSM.

RSM confirmed that they could now make a positive statement relating to going concern.

All agreed that for the various items still to be amended these could be agreed by circulation and there would be no further need to call another Audit Committee. Subject to the finalization of the amendments, the Committee agreed to recommend the Accounts to the Board for approval.

RSM had put in additional work to conclude the accounts, but Sarah Mason reported that she proposed to take a generous view on fees.

The Letter of Representation was considered. It was agreed to recommend its signature on behalf of the Board.

The regularity audit had been conducted satisfactorily and this was noted.

Draft Financial Statements and Members report 2016/17

The proposed revised document was reviewed by the committee. There were a number of narrative corrections needed in order to finalise the report but it was agreed that substantively the report was now financially accurate. The college was concluding the year with a £500K deficit. The position was much improved, including with a 99% student success rate - the relevant figures were to be added into the accounts.

Subject to final amendment the statements were agreed and Ashok Patel, the Interim Finance Director, was thanked for his work. The Committee invited the Finance Committee to join them and the

	<p>financial statements were jointly reviewed.</p> <p>It was agreed that in future a joint meeting at year end between the committees was beneficial and should be included in the meetings calendar.</p>	
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There being no further business the meeting closed.

