

[Confidential in respect of Minutes 19/44-45, 19/48, 19/53-54]

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE ON 6 NOVEMBER 2019

Present

James Rimmer (Acting Chair)	Independent Governor
Harry Mears	Co-opted Member
Lena Samuels	Independent Governor
John Simpson	Independent Governor
Captain Emma Tiller	Independent Governor

In attendance

Dr Caroline Carpenter	University Secretary
Kerrie Clark	Financial Controller
Professor Julie Hall	Interim Vice-Chancellor
Andy Riggs	Chief Finance Officer
Bridget Woolven	Clerk to the Governors
Emma Butler	Director, PwC
Anna Blackman	Audit Partner, PwC
David I'Anson	Audit Partner, BDO
Lucy Driver	Audit Manager, BDO

19/42 Welcome & Apologies

Apologies: Lena Samuels would arrive late. Harry Mears and Captain Emma Tiller may leave before the meeting ended.

Welcomes: Professor Julie Hall and Anna Blackman. The Committee was quorate throughout.

19/43 Conflict of Interests - None declared.**19/44 'IT Risks'**

**Presentation
Confidential**

This minute is confidential.

19/45 External Auditors' Report 2018/19
Presented by: David I'Anson, Audit Partner, BDO

**Paper 19/AC/22
Confidential**

This minute is confidential.

19/46 Draft Annual Financial Statements 2018/19
Presented by Kerrie Clark, Financial Controller

Paper 19/RC/21

In discussion the following points were made:

- i. Consideration would be given as to whether more prominent mention of the departure of Professor Graham Baldwin should be included in the introduction - at the moment it was reported in the Corporate Governance Statement.
- ii. Thanks to Professor Graham Baldwin would be included in the 'Welcome'.

- iii. The name of the James Rimmer's employer would be amended to 'NHS Southampton City Clinical Commissioning Group'. **ACTION: FINANCE.**
- iv. Professor Baldwin's leaving date of 30 September would be recorded in the Attendance List. **ACTION: FINANCE.**

The Committee recommended the approval of the consolidated financial statements to the Board of Governors.

(Harry Mears left and Lena Samuels joined the meeting which remained quorate.)

19/47 Internal Audit Annual Report 2018/19
Presented by Emma Butler, PwC

Paper 18/AC/19
Confidential

This minute is confidential.

19/48 Internal Audit Progress Report
Presented by Emma Butler, PwC

Paper 19/AC/18
Confidential

This minute is confidential.

(Captain Emma Tiller left the meeting at this point. The meeting remained quorate.)

19/49 VfM Annual Report/Annual Efficiency Return
Presented by Andy Riggs

Paper 19/AC/16

The annual Value for Money (VfM) report, which included the Annual Efficient Return 2018/19, outlined details of savings both cash and non-cash.

The Committee encouraged Finance in future to record good practice around post project review work and Andy Riggs confirmed that stronger project trajectory plans were now in place.

The report was approved.

19/50 Annual Report of Audit Committee to OfS
Presented by Bridget Woolven

Paper 19/RC/23

There a few minor changes which Emma Butler would email to the Clerk. Subject to their inclusion, the Committee agreed to recommend the report to the Board of Governors. **ACTION EMMA BUTLER, PwC. COMPLETED 7 Nov 2019.**

The Clerk will provide an aide memoire to Audit Committee on the roles of that Committee and Resources Committee. **ACTION: CLERK.**

19/51 Minutes of the previous meeting on 2 July 2019 - Agreed.

19/52 Matters arising from the previous meeting -

Since the 2 July 2019 meeting, PwC had filed the three outstanding internal audit reports: key financial system, budget setting and effectiveness, and Data Futures. These had been circulated to Audit Committee members by email following receipt on 23 and 26 July and 3 September 2019.

With reference to Committee membership, the Clerk reported that recruitment of two additional Governors was proceeding that it was anticipated that one of those would join Audit Committee at the start of 2020.

19/53 Confidential Pre-Meetings

**Oral Report
Confidential**

This minute is confidential.

**19/54 Report of the Risk Management Group (RMG)
Presented by Andy Riggs, Chief Finance Officer**

**Paper 19/AC/15
Confidential**

This minute is confidential.

19/55 Information & Data Governance Annual Report

Paper 19/AC/17

The Committee noted the report.

19/56 Non-audit services commissioned in 2018/19

Paper 19/AC/20

The Committee noted:

- i. the non-audit services commissioned from BDO LLP included additional tax advice on the Deed of Covenant and withholding tax on income from Metropolitan College in Greece. BDO also provided annual Corporation Tax services for Solent University Limited, for which there was budget provision. that no non-audit services had been commissioned from PwC, Internal Auditors, during 2018-19.

**19/57 Bribery Act - Annual Report 2018/19
Presented by Andy Riggs**

Paper 19/AC/25

The Committee noted the report for 2018/19 which confirmed there had been no reported incidences of bribery.

**19/58 Modern Slavery Act
Presented by Kerrie Clark**

Paper 19/AC/26

The Committee recommended the approval of the University's statement regarding slavery and human trafficking to the Board of Governors.

Once approved, the statement would be published on the University's website by the deadline of 31 January 2019.

19/59 OfS Accounts Direction 2019/20

Paper 19/AC/24

Noted.

19/60 Office for Students (OfS) and Reportable Events

The Committee:

- i. noted the Regulatory Advice 16: Reportable Events (OfS 2019.40);
- ii. noted the arrangements in place to monitor and report such events to the

- Board of Governors and OfS in a timely manner
- iii. noted the delegation, by the accountable officer, of reporting to the OfS to:
- Dr Caroline Carpenter, University Secretary,
 - Kamla Janagal, Head of Financial Planning and Analysis, and
 - Aggie Larus-Hartley, Executive Officer.

19/61 No complaints had been received under the Public Information Disclosure Act and the University's Fraud Policy and:

- i. No complaints have been received either by the Clerk to the Governors or Chairman of the Board under the Public Information Disclosure Act;
- ii. No cases of fraud had been reported.

19/62 Serious Incidents and Reportable Events

Confidential

This minute is confidential.

19/63 Meeting Dates for 2019/20

Wednesday 15 January
Wednesday 25 March
Wednesday 17 June

Meetings will commence at 17:30hrs, preceded by a members' pre-meeting at 17:00 hrs.

19/64 In closing, the Chairman thanked BDO external auditors, for their excellent and additional work and thanked PwC, internal auditors, for their work to resolve the issues that had arisen this year. The Chairman also thanked the Finance team for their excellent work to produce a clean audit.