



## AUDIT COMMITTEE MINUTES - PART I

Minutes of the one hundred and ninth meeting of the Brockenhurst Audit Committee meeting, held on Tuesday, 15 May 2025 via MS Teams.

Present:	Governors	Meetings attended
	Mr G Cooper (from 5.10pm) Mr J Ede Mrs K Ryan	(2 out of 3) (3 out of 3) (2 out of 2)
In attendance:	Ms H Odhams Mr L Feingold Mrs L Payne	Principal and CEO Vice Principal, Finance (VPF) Clerk to Corporation
		(3 out of 3)
External Auditors:	Mr Mark Munro	Bishop Fleming

Meeting commenced at 5pm

Minute No	Paper title	Action
109.1	<b>WELCOME AND APOLOGIES</b> The Chair welcomed everyone to the meeting. Apologies had been received from Mr. Williams and Mrs Essex.	
109.1.1	<b>CONFLICT OF INTEREST</b> Member declared any conflict of interest with the agenda.	
109.2	<b>COMMITTEE BUSINESS</b>	
109.2.1	<u>Minutes of previous meeting held on 4<sup>th</sup> February 2025</u>  The minutes of the 4 <sup>th</sup> February 2025 having been previously circulated to members, were agreed as a true record and would be signed by the chair. <b>All Members were agreed.</b>	
109.2.2	<u>Matters arising from the meeting held on 4<sup>th</sup> February 2025</u>  Matters arising would be considered within the agenda.	
109.2.3	<u>Effectiveness of Committee and Performance of the Chair.</u> Members considered the review of the effectiveness of the committee and in-year performance of the Chair. Members were happy that written notice of meetings had been provided well in advance of the meeting, with clear agendas, papers and minutes. They agreed sufficient time was available to debate each item and that too much time had not been spent debating a particular item. Members felt that their decisions arrived at were sound and considered all risks and monetary implications. It was agreed the role of the Chair had been carried out effectively in the year. <b>Members agreed the review and recommended the effectiveness review to the Board.</b>	<b>Refer to Board</b>
109.2.4	<u>Terms of Reference – Audit Committee</u> Members reviewed the terms of reference of the committee.	

	<p>In the terms of reference, in relation to 'value for money' members enquired what approach was taken.</p> <p>The VP F reported there was little assessed in this area, and it was only best practice, but in the case of property matters this was undertaken.</p> <p>Members agreed to expand this area and look to see whether as an example the health and safety audit being undertaken was good value for money.</p> <p>In terms of the membership skill set for dealing with audit and the framework of control it was agreed this should be looked at for value for money as well.</p> <p>It was agreed parameters would need to be set to assess value for money.</p> <p>The Principal spoke about the new independence hub at the college that may not be considered value for money but invaluable to the students using it.</p> <p>At the next meeting members would discuss and consider what they thought would be good value for money.</p> <p><b>Members agreed the terms of reference</b> and agreed to recommend them to the Board for approval and would look at an expansion of the terms at the next meeting.</p> <p><b>All Members were agreed.</b></p>	<p><b>Action next meeting</b></p> <p><b>Refer to Board</b></p>
<p>109.3</p> <p>109.3.1</p>	<p><b>EXTERNAL AUDIT</b></p> <p><u>External Audit Plan for the audit of the College's Accounts and Benchmarking Report</u></p> <p>This item was presented by the Vice Principal Finance. The report summarised the proposed nature and scope of the external audit of the colleges annual report and financial statements for the year ended July 2025.</p> <p>The external audit plan for 2024/ 25 set out the external auditors' approach and proposed fees to the verification work to be performed on the colleges 2024/ 25 annual report and financial statements.</p> <p>Members were reminded that the college had now appointed Bishop Fleming as the external auditors. Members were advised that the audit approach and timeline were broadly consistent with that of previous years, and the level of planning material that had been set at 1%- 2% of income for the college.</p> <p>The audit fee for the proposed work to be undertaken, including VAT, was £47,040. Members noted the audit timetable for the work which would be concluded in December 2025.</p> <p>The key considerations identified in the audit approach comprised, management override of controls, fraud in income recognition and pension liability. These matters were discussed. Members were advised there had been no significant changes to the college financial handbook which the college had now incorporated into its own financial regulations.</p> <p>The VP F informed members that the college was expecting an unqualified audit opinion, with no major issues.</p> <p>The VP F spoke about the post 16 audit code of practice which had now been replaced by the Framework and Guide for External Auditors and Reporting Accountants for Colleges.</p> <p>The external auditor Mr Munro (MM) was invited to report. He outlined the Bishop Fleming's audit approach and scope, including the key risks of management override of controls, fraud in income recognition, and the area of significant risk in relation to the LGPS pension position.</p>	

	<p>MM spoke about the additional testing that would be done in these areas. Members commented that they felt the report was very clear and referred to the right documents.</p> <p><b>Members unanimously agreed to recommend</b> the external audit plan for the audit of the college's accounts and benchmark reporting to the board for approval.</p>	<b>Refer to Board</b>
109.4	<b>INTERNAL AUDIT</b>	
109.4.1	<p><u>Internal Audit Reports</u></p> <p>The VP F referred to the internal audit plan for the year. This included a Health and Safety Review and a review of Policies. Whilst the scope of the Health and Safety review had been agreed the audit had not yet taken place. With regard to the review of Policies the scoping for this review had not yet taken place.</p> <p>These reviews were unlikely to be completed in this academic year. There would be a further update at the next meeting of the committee.</p>	<b>Agenda next meeting</b>
109.4.2	<p><u>Internal Audit Recommendations Register</u></p> <p>Members were asked to note there were no outstanding recommendations from previous reports.</p>	
109.4.3	<p><u>Proposed Internal Audit Visits for 2024-2025 and 2025-2026</u></p> <p>Members were asked to agree the internal audit visits for 2024/25 and 2025/26.</p> <p>The VP F reminded members that the college recognised that the use of internal audit or specialist consultants could provide a useful external perspective in assessing and enhancing internal controls, risk management and governance processes. The reviews helped to identify inefficiencies, prevent fraud, ensure compliance with regulation, and ultimately enhance operational effectiveness. To support strategic risk areas and align with ongoing operational developments, reviews had been undertaken and planned for the three-years 2023/24 - 2025/26.</p> <p>Members again noted that the Health and Safety review for this year had been postponed but would be carried out later in the year. The interim report in this area was just thematic reports and members felt the documents could be briefer and more succinct. Members asked for a more quantitative report with more quantitative data that in the summary statement.</p> <p>For future audits the VP F was looking at stress management and well-being. The safeguarding internal audit had been done and that would be provided at the next meeting.</p> <p>For cybersecurity there would be a thematic review and a look at the disaster recovery plan. In addition, following the health and safety review this year the thematic review next year may be in an area of health and safety e.g. food hygiene. The draft report should be available at the end of June and would come to the November meeting.</p> <p>On quality and inclusion, this topic was raised by Mrs Jenkin at the recent college strategy day. Mrs Jenkin would help with some of the high-risk areas by looking at the scope needed to ensure the college had the correct focus in the overall plan.</p> <p>Members discussed financial controls and whether these should be looked at in the three-year cycle. Mr Ede felt as there was a three-year rolling plan on internal audit, there should be an area of finance provided for each time.</p> <p>It was agreed that at the next meeting <b>a three-year programme would be agreed to refer to the Board.</b></p>	<b>Report next meeting</b> <b>Report next meeting</b> <b>Report</b>

		<b>next meeting</b>
109.5	<b>RISK MANAGEMENT</b>	
109.5.1	<p><u>Risk Management Register and Action Plan 2024-2025 Update</u>        Members were asked to consider and recommend for approval the colleges strategic risk register.</p> <p>The Vice Principal reminded members that following the three-year governance review undertaken in 2023/24, the college had developed a strategic risk register which highlighted and rated the college's current strategic risks. This was aimed at providing a strategic summary of areas of heightened risk and focusing risk management discussions.</p> <p>The Vice Principal spoke about the two key risks the college was actively managing in relation to the defunding of Applied General Qualifications (AGQ) and the risk to maintaining the quality of teaching and learning posed by the ongoing curriculum staffing restructure. These issues were discussed.</p> <p>There were no proposed changes to the overall risk register scoring of these risks, but a need to keep them under review as they were scored high.</p> <p><b>Members agreed the risk management register and action plan and to recommend it to the board for approval.</b></p>	Refer to Board
109.5.2	<p><u>Log of outstanding recommendations from Internal and External Audit reports</u>        The VP F reported on the minor outstanding recommendations.</p>	
109.5.3	<p><u>Cyber Security Update</u>        Members were advised of the progress being made by the College in establishing a sound cyber security environment.</p> <p>The Microsoft Windows system was being updated. The Cyber essentials accreditation had been achieved and would be updated annually. The Microsoft Windows update would enable the college to seek the Cyber Essentials Plus status.</p> <p><b>The report was noted.</b></p>	
109.6	<b>Evaluation of Meeting</b>	
	<p>Members agreed they had received comprehensive papers sufficient to inform their decisions. Papers had been dispatched in good time to enable advance reading. There was much discussion on the cybersecurity risk management and external audit. Governors added value and made appropriate challenge in the discussions at 4.3.</p>	
109.7	<b>AOB (to be notified to Clerk in advance of meeting)</b> No other business was raised.	
109.8	<b>Date of next meeting</b> <b>Thursday, 20 November 2025 at 5.00pm</b>	

**Meeting ended at: 6.05pm**