

<b><u>NORTHERN SCHOOL OF CONTEMPORARY DANCE</u></b>		
<b><u>AUDIT COMMITTEE</u></b>		
<b>Minutes of the meeting of the Audit Committee held at 6pm on 15 June 2021 via Zoom.</b>		
<b>Present:</b>	Vinny Leach (Chair) and Tina Gill	
<b>In attendance:</b>	Cathy Myles, Director of Finance and Resources (from A20/41), Clerk to Governors, Philip Drysdale (KCG) (to A20/56), Sally Appleton and Harriet Raine (Saffrey Champness) (to A20/56)	
<b>Apologies:</b>	Kate Buckham and Cara Turlington (Saffrey Champness)	<b>Action</b>
<b><u>PRIVATE MEETING WITH THE AUDITORS</u></b>		
<b>A20/40</b>	The Committee had a private meeting with the auditors including discussion of the key risks.	
<b><u>DECLARATIONS OF INTEREST</u></b>		
<b>A20/41</b>	There were no declarations of interest.	
<b><u>MINUTES OF THE LAST MEETING</u></b>		
<b>A20/42</b>	The minutes of the meeting held on 30 March 2021 were reviewed and approved as an accurate record.	
<b><u>MATTERS ARISING ON THE MINUTES</u></b>		
<b>A20/43</b>	<p><i>A20/30 - internal audit</i></p> <p>It was noted that the agenda for the October meeting would be substantial and the Director of Finance and Resources reported that advice from KCG suggested that a desktop exercise would be sufficient for appointment of internal auditors. The Committee agreed that it should consider whether or not to tender for the provision and requested that a paper setting out the proposed approach be submitted to the next meeting.</p> <p>An update on the exempt charity status was requested and the Director of Finance and Resources reported that she had not heard from the Charity Commission but would inform them once a response had been received from the OfS regarding the School's application.</p>	
<b>A20/44</b>	<b>RESOLVED: that a paper be submitted to the next meeting setting out the proposed approach to internal audit provision from 2022-23.</b>	<b>Director of Finance &amp; Resources</b>
<b><u>INTERNAL AUDIT PROGRESS REPORTS</u></b>		
<b>A20/45</b>	The Committee had received a copy of the internal audit reports from KCG and Philip Drysdale reported that there was one further piece of work on Covid Lessons Learnt to be carried out the following week. That report would be submitted to the next meeting of the Committee. It was reported that the plan for 2021-22 would be submitted to CDD's Audit Committee shortly and available for circulation to the Committee once approved.	
<b>A20/46</b>	<b>RESOLVED: That KCG progress reports be noted.</b>	
<b><u>EXTERNAL AUDIT</u></b>		
<b>A20/47</b>	<p>The Committee received the letter from KPMG formally resigning as external auditors and noted its contents.</p> <p>Saffrey Champness introduced the external audit strategy for 2021-22 and the key points, including the key risks, were highlighted. It was noted that the planning work had already started. A question was asked about whether there was substantive</p>	

	testing and whether there was any reliance placed on the controls tested. It was noted that the controls were tested to understand the control system but no reliance was placed on controls taking place. Testing would be carried out on between 20 and 30% of transactions, with the sample extended if necessary. A further question was asked about whether software was used to help with testing and it was confirmed that it was. In response to a query, it was confirmed that a copy of SAGE was taken and a request was made for information about how the data copied from SAGE was protected.	
<b>A20/48</b>	<b>RESOLVED:</b> <ol style="list-style-type: none"> <li>i. That the external audit strategy for 2021-22 be received and approved.</li> <li>ii. That Saffrey Champness provide information on how the data copied from SAGE would be protected.</li> </ol>	<b>Saffrey Champness</b>
	<b><u>VALUE FOR MONEY REPORT 2020-21</u></b>	
<b>A20/49</b>	<p>The Committee had received the Value for Money report 2020-21 and noted that the School compared favourably with others in the sector. A request was made to split the fee income between home and EU students before the report was published.</p> <p>In response to a query about whether research grants had been investigated, it was reported that that it was an area the School was keen to look at in the future. Currently staff were being upskilled in relation to their educational qualifications and an in-house course on education in dance was being run.</p>	
<b>A20/50</b>	<b>RESOLVED: That the value for money report 2020-21 be noted, and that fee income be split between home and EU students before publication of the report.</b>	<b>Director of Finance &amp; Resources</b>
	<b><u>RISK REGISTER</u></b>	
<b>A20/51</b>	<p>The Committee considered the full risk register and noted that it had been agreed that a comprehensive update would be completed in the autumn. The Academic Board would carry out a full review of the academic risks as many of those had been escalated to red recently. A concern was expressed about the implications of the Augur Review and the possible impact on fees and a question was asked about whether any scenario modelling had taken place. The Director of Finance and Resources reported that the five year plan that would be submitted to Governors in October would include reduced fees.</p> <p>A question was asked about the strategic risk around the absence of safeguarding training for casual staff if it was not mandated and the Director of Finance agreed to discuss this with the safeguarding lead to consider how best to capture that.</p>	
<b>A20/52</b>	<b>RESOLVED: that the risk register be noted and the Director of Finance and Resources review the risks around safeguarding in conjunction with the safeguarding lead.</b>	<b>Director of Finance &amp; Resources</b>
	<b><u>HE AUDIT COMMITTEES CODE OF PRACTICE</u></b>	
<b>A20/53</b>	The Committee received an update on the action plan for compliance with the Audit Committees Code of Practice from the Clerk and noted the contents. It was agreed that the induction for the Audit Committee should be arranged as a separate session and that it would be helpful to invite other members of the leadership team and the Finance and Resources Committee.	
<b>A20/54</b>	<b>RESOLVED: That the Committee note the action plan for compliance with the CUC's HE Audit Committees Code of Practice and that a separate session on Audit Committee induction be arranged.</b>	<b>Clerk to Governors</b>

	<b><u>POLICIES</u></b>	
<b>A20/55</b>	<p>The Committee received the list of policies within its remit, which included the proposed review cycles for each. It was agreed that the policies on Risk, Risk appetite, GDPR, Anti-bribery and Anti-money Laundering would be brought forward for review in March 2022. It was suggested that the GDPR Policy and Code of Practice be split into two separate documents, and the Chair offered her support with those documents.</p> <p>The Committee considered the Policy on Non-Audit Services which was approved.</p>	
<b>A20/56</b>	<p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i. That the policy review schedule be noted, and that the reviews of policies on Risk, Risk appetite, GDPR, Anti-bribery and Anti-money Laundering be brought forward to March 2022.</li> <li>ii. That the GDPR Policy and Code of Practice be separated into two documents.</li> <li>iii. That the Policy on Non-Audit Services be approved.</li> </ul>	<p><b>Director of Finance &amp; Resources/ Clerk</b></p> <p><b>Director of Finance &amp; Resources</b></p>
	<b><u>PRIVATE MEETING WITH COLLEGE MANAGEMENT</u></b>	
<b>A20/57</b>	The Committee had a private meeting with the Director of Finance and Resources without the auditors present.	
	<b><u>DATE OF THE NEXT MEETING</u></b>	
<b>A20/58</b>	<b>12 October 2021 at 6pm</b>	
	The meeting closed at 7.30pm	