

CANTERBURY CHRIST CHURCH UNIVERSITY

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON MONDAY 8 NOVEMBER 2021 AT 4.00PM VIA MICROSOFT TEAMS VIDEOCONFERENCE

Present: Mr P Fletcher (Chair), Mr S Carey, Mrs P Jones, Mr R Perera, Mr Q Roper, and Mr S Sutton

In attendance: Mr D Leah (Director of Finance & Chief Financial Officer)
Mrs K Pilgrim (Assistant Director of Finance – Financial Accounting)
Ms A Sear (Clerk to the Governing Body)
Professor R Thirunamachandran (Vice-Chancellor)
Ms A Barrington (KPMG)
Mr R Bott (Mazars) (From minute 64-end)
Ms K Peacock (Mazars)
Ms E Currie (Governance and Legal Services Assistant)
Mr N Theisen (Governance and Legal Services Assistant) (observer)

56. Apologies for absence [Item 1]

Apologies for absence had been received from Ms S Appleby.

57. Declarations of Interest [Item 2]

There were no declarations of interest for the meeting of the Audit Committee.

58. Minutes of the meeting held on 13 September 2021 [Item 3]

The minutes of the meeting held on 13 September 2021 were approved and signed as an accurate record of the meeting, subject to the correction of the phrase 'agreed buyer' for 'preferred buyer' at minute 6.

59. Matters arising not appearing elsewhere on the agenda [Item 4]

There were no matters arising.

60. Chairs Communications

There were no Chairs Communications.

61. Institutional and Financial Performance Update [Item 5]

The Vice-Chancellor provided an update on the activity of the University. He said that the University's focus since August had been on the registration of new and returning students and continuing to manage pandemic safety. Students had returned to campus from September onwards, and currently, on average, 80% of teaching activity was taking place on campus. The University was working to ensure a balance between the desirability of face-to-face teaching and the health and safety implications of this. It was still possible that the Government could implement a move to 'Plan B', whereby a greater degree of working from home and online learning could be required as well mandatory use of masks, however

this was not expected imminently. The Vice-Chancellor said that most Professional Services staff were already working in a hybrid manner, as part of the pilot scheme.

The Vice-Chancellor reported that the University's recruitment and retention activity was a mixed picture. He noted that the latest student recruitment picture had been shared with Governors via his e-bulletin. The shortfall was due, in part, to the better than anticipated grades received in that year's A-level exams; 45% of students had received A or A* and consequently Russell Group Universities had recruited heavily.

The University was looking in detail at its approach to recruitment and marketing for the 2022/23 intake. An external consultant had been engaged to undertake a review of the University's recruitment strategy and to suggest areas for improvement or change. The Senior Leadership Group (circa 40 of the University's most senior colleagues) was also actively engaged in this work. Progress would be reported to the Governing Body on 23 November.

The Vice-Chancellor noted a substantial contingency had been set aside for under-recruitment within the 2021/22 budget. In addition, the impact of under-recruitment was, partly offset by better than budgeted recruitment to courses offered in collaboration with key partners.

In terms of returning student numbers, the University was tracking about 5% below its usual return rate of 95%.

Once the accounts to the end of October had been completed, the University would re-assess its budget for the year. It was still anticipated that the University would achieve the forecast, a small surplus at year-end.

The CFO said that his team was working on a paper for the Governing Body on student enrolment, and the associated financial implications. He reported that several of the University's collaborative partnerships (Global Banking School, London School of Commerce, and Elizabeth School, London) had planned activity which had not been assumed in the income budget for 2021/22. The budgeted income for 2021/22 was £157.5m which had been set at a prudent level and not inclusive of expected but not confirmed additional activity with partner institutions. Since this point, other cohorts had been agreed and the income budget could potentially increase to £190m. It was now possible to work through the budget and establish the net impact of the shortfall in directly delivered activity.

The Finance team was continuing work to conclude the Going Concern statement with the External Auditor; this would need to provide assurance over the University's financial projections through to November 2022. The CFO noted the impact of cost saving initiatives, such as the restraint on staff recruitment, and the positive news that the OfS and Research England grants had been £400k higher than assumed in the budget. Overall, the CFO was reasonably confident that 2021/22 would achieve a budgeted surplus. The additional financial contribution from work with collaborative partners would ensure a sustainable position into 2022/23. The revised Financial Forecasts for the OfS would be approved by the Governing Body at an Extraordinary Governing Body meeting in January 2022.

A Governor asked whether the current 80% registration rate and the 5% decline in returning students reflected certain areas of concern, and specifically areas with low levels of face-to-face teaching. The Vice-Chancellor said that programmes with especially low registration rates had received targeted interventions to ensure that students registered. In terms of deferrals, the Vice-Chancellor said that deferrals were particularly high amongst first year students, and the University had various processes in place to keep such deferring students 'warm' over the year. This included re-invitation to open days, ongoing correspondence, course and sector updates. The University was considering offering telephone calls from peers to deferring students. This was a resource intensive activity but it was considered worthwhile.

A Committee Member asked about the Senior Leadership Group engagement with the recruitment action plan, and if there was student perspective within this group. The Vice-Chancellor said that the student perspective was provided by engaging with the Students' Union via sabbatical officers and permanent employees. The University had been making extensive use of decliner surveys and had also begun to use focus groups with first-year students to establish why they had chosen to study at the University.

NOTED

62. Financial Reports for Year ended 31 July 2021 and Consolidated Financial Statements [Item 6]

The Audit Committee considered the Financial Report and Consolidated Financial Statements for the University for the year-ended 31 July 2021, [Paper 036].

The CFO, who had sponsored the paper, said that overall he considered that the 2020/21 financial year had been successful and the University was entering 2021/22 in good shape. The University had performed within budget, whilst absorbing some additional costs and contingencies. There were still some elements of the statements that needed to be finalised with the External Auditor, notably within the Strategic Report and the Going Concern statement. There were also a small number of typos and non-material errors that would be corrected prior to signing, and these would be listed in an annex to the request for Governing Body approval, for transparency.

The CFO noted that the Financial Statements reported an operating surplus of approximately £8.8m, which was different to the £3.3m deficit reported in the management accounts. This was due to accounting conventions required by FRS102. A reconciliation was provided within the accompanying paper.

The budgeted deficit for the year was £3.229m. Including the proposed £1.5m staff recognition payment commitment, the University had outturned a £3.352m deficit. The CFO said that this reflected the pay restraint measures agreed with the unions, the 0% pay award, deferred promotions, short time working and the suspension of incremental increases. The University had made a commitment not to profit from these arrangements. The University would need to justify its financial position to the wider staff as well as the trade Unions and the outturned deficit honoured this commitment.

In addition, the difference between the surplus in the statements and the deficit in the management accounts was due to the pensions adjustments for the Local

Government Pension Scheme (LGPS) and Universities Superannuation Scheme (USS). The CFO also noted the recognition of approximately £20m in grants from SELEP and the OfS that had been received to support the development of engineering programmes and the medical school over the previous three-years but could only be recognised as income (per accounting conventions) when the Verena Holmes building was brought into use (January 2021).

The CFO highlighted the University's performance against its covenants, all of which had been met. Minimum EBITDA had outturned at £7,408K, comfortably above the agreed minimum of £5,500K, and Net Debt was below the agreed maximum of £60,500K, at £37,800K. This gave assurance going into 2021/22.

The University's collaborative partnerships had supported an improved bottom line performance, with circa £600k in extra income derived from these partnerships. In addition, certain in-year costs had been reduced or tightly controlled due to the pandemic, such as travel, conferencing, equipment, and energy use.

The CFO drew the Committee's attention to a budgeted overage payment, the £2.5m budget for health and safety works to Petros Court, and the dilapidations budget for Broadstairs and Rochester House. Those costs had been absorbed within the 2020/21 performance.

The Assistant Director of Finance (Financial Accounting) reported that there was some further work required on the content of the Strategic Report, specifically the Going Concern Statement and the Section 172 (CA2006) reporting. She noted the revised accounting policy on Tangible Assets, which would allow the required flexibility on depreciation of non-standard assets, reflecting, for example, that a lift within a building had a shorter lifecycle than the standard building lifecycle.

In terms of post-balance sheet events, she reported on the USS pensions position. The University now had the benefit of certainty of the 2020 valuation which was a £958K increase (to £1.5M). The University would not be required to adjust the statements for this but would refer to it as a post balance sheet event within the strategic report. The impact would be felt in the 21/22 financial year.

A Committee Member asked if, given that the £3.3m deficit was impacted by the overage and the £1.5m staff recognition payment, would the University be in a break-even position without those provisions. The CFO said this was true, however the University had always intended to make the staff recognition payment if the University's financial position was better than expected. The Member asked if the overage provision had always been in the University's budget. The CFO confirmed that this had fallen due within 2020/21. Within cashflow it was assumed that this would be paid back over a longer period of time, however in accounting terms the liability had to be recognised from the due date onwards.

A Committee Member asked why the £958k pensions adjustment was included in the next financial year, and not in the current statements. The External Auditor said that this was because this information was not known to the University at year end (31 July 2021) and so a best estimate had been made. This sum was also below the materiality threshold. The CFO confirmed that inclusion of the pensions liability in the 20/21 accounts would not have impacted on the

University's commitment to make the staff recognition payment. In addition, the USS calculator had only been received two weeks prior to the meeting, so at a very late stage in terms of finalising the statements. He confirmed that this approach was consistent with the approach across the sector.

A Committee Member asked about the financial impact of the Temporary Collective Agreement, in terms of the proposed £1.5m staff recognition payment. The CFO said that circa £6m in staff costs had been saved by the Temporary Collective Agreement measures, which had had a significant positive impact on the finance of the University.

The CFO noted that the pension adjustment was not considered when calculating the University's covenant compliance. It was noted that in 2021/22 there might be a difference discount factor applied to the adjustment, so it was not possible to be certain of next year's figure at this point. This would be discussed in greater detail at the Pensions Session, hosted by the CFO, the Assistant Director of Finance and the Director of HROD, scheduled to take place on 29 November.

A Committee Member asked what steps needed to be taken to finalise the Going Concern Statement. The CFO said that the student enrolment report numbers had been fed through financial models. This would be considered alongside progression rates, in-year recruitment, and projected staff and non-staff costs. The budget would need to support the University's essential priorities such as the MOSI project. This work would be presented to the External Auditor later that week in terms of the information required to support the Going Concern statement. Substantive work would be required in December to revise the OfS Financial Forecasts in light of updated 2022/23 student number targets, through to 2025/26. The University aimed to complete this work by mid-January prior to Governing Body approval.

The Chair acknowledged the vital efforts of the Vice-Chancellor, the CFO and the University Solicitor in respect of the bank loan renegotiations that had taken place in early 2020/21, without which the University would not be in such a relatively secure position with its covenants.

A Committee Member asked if Brexit had impacted on the University's Financial Performance in 2020/21. The Vice-Chancellor said that although recruitment from EU countries was lower than it had previously been, overall international student recruitment numbers had actually exceeded target; the majority of the University's international student population was from non-EU countries.

RESOLVED:

That the University's Financial Statements for year-ended 31 July 2021 be recommended to the Governing Body for approval.

63. Medco CCCU Ltd (Trading as Unitemps) Financial Statements [Item 6.2]

The Audit Committee considered the Financial Report and Consolidated Financial Statements for Medco (CCCU) Ltd for the year-ended 31 July 2021, [Paper 037] by the Assistant Director of Finance [Financial Accounting]. She reported that the results were consolidated into the accounts of the parent company (the University). There had been a total loss of £54k over two years, however the most

recent management accounts available (October 2021) showed that the company was once again making a surplus. The Committee welcomed this news. The Medco Board had met the previous week and had approved the Statements.

NOTED

64. External Auditor's Report 2020/21 [Item 7]

The Audit Committee considered the External Auditor's Report to the Audit Committee for the Audit of the 2020/21 Financial Statements, [Paper O38]. The External Audit Partner reported that although there were some areas to finalise, including the Going Concern statement and the letter of representation. The Auditor expected to issue an unqualified opinion.

The Audit Manager said that materiality for the University had initially been set at £2.1m (overall) and £1.6m (performance). However due to the University's increased income this had been increased to £3m and £2.1m respectively. The materiality level for Medco (CCCU) Ltd was significantly less, at £15k.

The Audit Manager said that the first two significant risks considered by the Auditor were mandatory areas of review: Management Override of Controls, and Income Recognition. The Auditor had conducted detailed testing of journals and found no evidence of inappropriate management override. Income Recognition had also been thoroughly tested and the Auditor had identified no problems with income recognition and had no concerns.

The third area of review was covenant compliance. The Auditor acknowledged the significant work undertaken to revise the University financial covenants for the previous financial year. For 2020/21, taking into consideration the proposed £1.5m staff recognition payment, the University was compliant with its covenants, with good headroom. The Auditor was of the opinion the decision for the provision for the staff recognition payment did not raise any audit concerns. The Auditor reported that even if the Broadstairs Campus disposal was not completed by the end of the calendar year, as hoped, the University would remain compliant with its covenants. This performance supported the conclusion of the University's Going Concern statement.

The Audit Manager said she would monitor with interest the student recruitment position sector-wide. She agreed that it would be necessary to wait and see if the change in recruitment was a one-off or a permanent change in recruitment patterns. Cash-flow projections to November 2022 would be considered in detail in light of this. She did not expect to encounter any significant issues. She acknowledged the significant positive impact of the collaborative partnership income.

The Auditor had considered property valuations, specifically in terms of the University's new building, Verena Holmes. An impairment review had been undertaken to check that the valuation was still accurate. The Director of Estates and Facilities was professionally qualified in this area and had given his professional opinion that the valuation remained appropriate. It was also acknowledged that, in practical terms, the University needed to have a campus to operate and to generate income. The Auditor was comfortable that the

building was appropriately valued in the accounts, and that the University's accounting treatment of buildings was appropriate.

The final significant risk that had been considered was classification of funds. The Auditor had found no issues from its testing. Appropriate monitoring processes were in place, and the Auditor was comfortable that funds were used on the projects they were intended for.

In terms of Management Judgement, no issues had been identified in terms of accruals. In terms of depreciation, the key matter was component accounting for Verena Holmes. It was helpful that Gilbert Ash had provided a list of component costs. The Auditor was comfortable with how this had been applied and the lifecycles used for the various components.

In terms of the LGPS pension scheme valuation the Audit Manager acknowledged that it was difficult to predict the pension deficit year-to-year. The increase in the reported deficit/liability was lower than the previous year, which was positive. In the technical review of assumptions applied by the scheme actuaries, Mazars said it was unusual in the sector for the actuary to have applied a 25% weight parameter to the CMI 2020 model for mortality data to the future mortality estimates. This adjustment was to take into account the abnormality of the 2020 data. However, when this was reviewed by the Auditors' technical team it resulted in an insignificant impact on the employer's liabilities.

In terms of properties for sale, the Auditor said that Hall Place was on the market, with some interest, but offers were currently below the £2.5m asking price. This remained above the netbook value in the accounts so the Auditor was comfortable that no impairment was required.

Similarly, for the Broadstairs Campus three offers had been received, including one for £5.1m for all three buildings, and two separate offers for £2.8m for Allen and Carey, and £2.1m for Northwood Court. Within the accounts an impairment had been recognised across the whole campus to bring the value down to the £4.9m, which would enable the University to accept any of the package of offers.

The Audit Manager referred to the overage payment. The University was only liable for this payment from the date it became due, as up until that point the University could have applied for the required permissions. The Auditor had considered whether this should be capitalised (and added to the value of the site) or expensed. After consideration, it was agreed that this amount would be expensed as no real value had been added to the site. This would avoid the possibility of overvaluing the site in future.

In terms of the project to relocate professional services activity out of Rochester House and give up or assign the lease, it had been agreed that works undertaken at Rochester House should be impaired. Dilapidation costs were still under negotiation, an adequate provision had been made.

The Audit Manager said that the various provisions the University had made were the most judgemental area of the audit. She noted that the University had not made a provision for refunds in respect of the required shift to online learning. She confirmed that this was in line with the approach of the sector, and the Auditor considered this was the right judgement.

The £1m provision made for OfS clawback due to student data issues had been considered. The Auditor was unable to make a judgement on the appropriateness of this provision. The Governing Body would therefore be asked to confirm within the letter of representation that this provision was based on their best estimates.

The Auditor confirmed that it had agreed the provisions made for remedial fire safety work at Petros Court and the Staff Recognition Payment, although it was noted that the challenge with the staff payment was agreeing on the fairest method of distribution. The Auditor was comfortable that there was an existing commitment with staff to provide this payment.

The Auditor had made one adjustment to the holiday pay accrual, where a minor error in the calculation had been identified.

The Audit Manager said that she was comfortable that the deficit returned by Medco (CCCU) Ltd was not likely to continue into future years. Once the company began to return a profit it would no longer be necessary to consider the value of the investment within the ISA260 report. It was acknowledged that the value of Medco (CCCU) Ltd was in its role as a staff recruitment portal for the University, and not just in terms of financial return, so no impairment to the investment was necessary.

The Audit Manager noted that the University had not undertaken a formal test of the disaster recovery plan for some time. It was recommended that this was undertaken in 2021/22.

The Auditor noted that the University had an outstanding credit balance with the Student Loans Company (SLC). Certain balances dated back as far as 2007. Although of relatively small value, the University should try to reconcile these. In terms of resolving this problem, the University was willing to do so, but it was noted that direct engagement from the SLC was required to reconcile the debts, and it was challenging to engage the organisation in respect of such relatively small sums. The University could not make a payment to the SLC. The SLC would have to deduct the balance from a payment to the University.

The Audit Partner drew attention to the paragraph within the letter of representation, regarding the provision for OfS clawback, that the Governing Body were specifically asked to confirm was appropriate.

The Chair said that it was encouraging to see the relationship between the University and Auditor was both positive and appropriately challenging. He asked if the provision for OfS clawback in relation to data quality was as accurate as possible. The CFO said that both Paper O39, Data Assurance Annual Report and Paper O44, Risk Management Update would refer to the University's ongoing student data quality challenges. He said that given that Phase 2 of the MOSI Project was not achieved in August 2021, and that much of the OfS Action Plan was conditional on Go Live, it remained prudent to make this provision. The CFO said that he had assumed responsibility for the monitoring and oversight of student data quality on the departure of the Director of Planning and Academic Administration. He reported that in preparing the HESA return, the University had received data quality warnings from HESA, which escalated the potential for a follow up visit. The University's level of exposure in this regard was still high. He acknowledged that the University had taken a long time to address the issue.

The Vice-Chancellor agreed and said that in his experience within the HE sector the provision was prudent.

A Committee Member asked if the Committee could be provided with a timeline for the full resolution of this problem.

A Committee member asked if the overage provision could have been avoided if an application for the necessary permissions had been made. The CFO said that a serious, credible application would need to have been made, which the University was not minded to do.

RESOLVED:

To endorse the External Auditor's Report 2020/21 for Governing Body approval.

65. Data Assurance Annual Report [Item 8]

The Audit Committee received the Data Assurance Annual Report (Paper O39) sponsored by the CFO. The CFO said that inaccurate student data impacted on League Tables, National Student Survey scores and other internal and external reporting. The proposed Audit Committee opinion was that the committee could be assured of data quality in all areas with the exception of student data quality. This was the same opinion as in previous years.

The CFO explained that the use of incomplete or inaccurate student data impacted on the University in various ways. For example, if student ethnicity data was not correct, the University could not accurately monitor the effectiveness of its Closing our Gap activity.

The CFO acknowledged that the MOSI project was key to resolving the problem, and collegiate working with the Directors of Admissions and Registry would be required. He said that the Deputy Director of Finance was leading a group which is addressing student data quality, but that it was nevertheless possible that this problem would persist into 2021/22 reporting. The use of "Power BI" software reporting tool would be helpful, but it would also be necessary to establish an upskilled Planning and Business Intelligence team. It was acknowledged that there was a skills shortage in this area, and attracting talented staff was challenging. A former University employee (Head of Planning) had been contracted for a year to support the process.

Positively, Internal Audit reviews on data assurance, such as the review of CMA and ASA compliance, had been Green rated (significant assurance).

The Chair commented that he continued to personally attend DRQAG meetings when invited, and took an active interest in the work.

RESOLVED:

To approve the Data Assurance Annual Report 2020/21.

66. Draft Audit Committee Annual Report [Item 9]

The Audit Committee considered the Draft Annual Report of the Audit Committee 2020/21 [Paper O40] which had been authored by the Governance and Legal Services Manager.

The Chief Financial Officer said the report was a summary of the work of the Audit Committee over the 2020/21 period. A Committee Member requested that the OIA paper be reshared with them for information. Although it was no longer required by the OfS, the Audit Committee's Annual Report would nevertheless be submitted to, and approved by, the Governing Body.

RESOLVED:

That the report be approved for submission to the Governing Body.

67. Modern Slavery Act Statement [Item 10]

The Audit Committee considered the Modern Slavery Act Statement [Paper O41], by the Chief Financial Officer. The statement was required by the Modern Slavery Act 2015 for inclusion in the Financial Statements and publication on the website.

The Assistant Director of Finance highlighted changes to the SUPC Framework which the University used to support its tender processes, particularly in high-risk areas.

Work would continue in 2022 to identify all improvements put in place by the University for training and KPI monitoring in this area, and the Assistant Director of Finance expected the University to have a considerably more robust response the following year. The CFO highlighted the major Public Lecture that had taken place recently at the University, by Dame Sarah Thornton (Independent Anti-Slavery Commissioner) entitled 'Did you know that there are 40 million modern slaves in the world today'. Key points from this lecture would feed into the work going forward.

RESOLVED:

To recommend the statement to the Governing Body for approval.

68. Internal Audit Annual Report 2020/21 [Item 11]

The Audit Committee received the Internal Audit Annual Report [Paper O42] by the Internal Auditor. The Internal Auditor said that the committee had previously seen the report and that there had been no significant changes. The Internal Audit opinion was 'Significant Assurance with minor improvement opportunities'.

NOTED.

69. Internal Audit Progress Report [Item 12]

The Audit Committee received the Internal Audit Progress Report [Paper O43]. The Internal Auditor said that the SITS – Phase B report was in the process of being finalised. This report had been due for consideration at the November meeting but had been delayed slightly to allow the new Senior Responsible Officer for the MOSI project to input into the management responses. The reviews of Student Experience (Governance) and Access and Participation Plan (Data Quality) were also underway.

The Chair said that he was conscious that SITS implementation was key to improving data quality, and asked if the Internal Auditor had any insight into this process. The Auditor said that the timeline was key, and it would be vital to ensure that recommendations were implemented prior to Go Live. The Vice-Chancellor said that there was both a new MOSI management team and a new Oversight and Scrutiny Board in place. The new Project Manager had previous experience of implementing SITS. The new approach was of multiple minor releases which followed the student journey, rather than one 'Go Live' event in the summer.

NOTED

70. Management Control Report [Oral Update – Item 13]

The Assistant Director of Finance provided an oral update on progress against Internal Audit recommendations. She said that of 32 actions one was high, 19 were medium and 12 were low priority. She reported that seven medium priority and five low priority actions had been reported as completed. 18 actions were currently delayed, five of which were dependent of SITS implementation. The Assistant Director of Finance was confident that progress was being made. The Chair thanked her for ensuring continued progress.

NOTED

71. Termly Risk Management Report of the Vice-Chancellor [Item 14]

The Audit Committee received the Termly Risk Management Report of the Vice-Chancellor [Paper O44], sponsored by the Vice-Chancellor.

The University Solicitor and Clerk to the Governing Body (the Clerk) reported that SMT had discussed the High Level Risk Register and approved certain changes.

She reported that the risk of 'Incomplete and inaccurate student data' had been reinstated on the register, for reasons referred to in the Data Assurance Annual Report [Paper O39].

The residual rating for Risk 5, 'Failure to meet recruitment targets' had been raised to 25 (Black/Severe). This risk would therefore require weekly review by SMT, which was already taking place. In terms of mitigating actions, the Clerk reported that an external consultant had been engaged to review the University's recruitment for the 2022/23 cohort. An action plan had been created and the University's Senior Leadership Group had been strongly encouraged to engage with the plan. A new Head of Applicant Services had been appointed, and an additional Open Day was being offered in January 2022 to maximise recruitment.

The Clerk highlighted that the MOSI Project Risk Register had been provided. There were seven residual amber risks which were being monitored by the MOSI team.

The Chair supported the escalation of the Student Data Quality risk to the High Level Risk Register.

NOTED

72. Audit Assurance – Teachers’ Pension Scheme [Item 15]

The Audit Committee considered the Audit Assurance - Teachers’ Pension Scheme, [Paper O45], by the Assistant Director of Finance [Financial Accounting]. The Assistant Director of Finance said that the return had been reviewed by the External Auditor and submitted within the necessary deadline.

NOTED

73. Accounting Conventions Update [Item 16]

The Audit Committee considered the Accounting Conventions Update, [Paper O46], by the Assistant Director of Finance [Financial Accounting]. The Assistant Director of Finance said that there had been no significant changes to the accounting conventions used for the 2020/21 reporting and that the OfS was following the same accounts direction as the previous year. She confirmed that the University had adhered to all required accounting conventions.

NOTED

74. Fraud, Bribery and Whistleblowing Annual Report [Item 17]

The Audit Committee received the Fraud Bribery and Whistleblowing Annual Report 2020/21 [Paper O47]. The Chief Financial Officer said that the Fraud Response Group had met on four occasions in year. They had considered one matter but had resolved that this fell outside of the University’s jurisdiction. A related complaint against a member of staff had not been upheld, although some learning and development points had been recommended. The University had suffered no financial loss through fraud in year.

The Clerk reported a slight increase in declarations of gifts or hospitality. This indicated that the reporting system continued to function as expected. There had been no reports of whistleblowing, and no reports of bribery.

NOTED

75. Minutes of the Data Returns Quality Assurance Group held on 21 October 2021 [Item 18]

The minutes of the Data Returns Quality Assurance Group held on 21 October 2021 were taken as read. All business had been covered under other items.

76. Any other business [Item 19]

The Chair thanked the Governance and Legal Services Assistant for her support of the Committee and wished her well for her upcoming maternity leave.

77. Date of next meeting [Item 20]

Monday, 21 February 2021 at 4pm

The meeting closed at 5.58pm.