

THE TRAFFORD COLLEGE GROUP

**Minutes of the Audit Committee Meeting
held on Monday 16 December 2019 at 3.00 pm
in the Principal's Office at Stockport College**

Present:	Jed Hassid Tony Healy Ian Duncan	(Chairperson)
In Attendance:	Barry Watson Andrea Bennett Michael Frankish Jenny Elgar Tom Pool	(Corporation Secretary) (Director of Finance & Strategy) (Grant Thornton) (Grant Thornton) (Grant Thornton)

Minute No

GAUD/52/19 Apologies for Absence

The Corporation Secretary (CS) reported that apologies for absence had been received from Brian Bradley and Dawn Cole.

GAUD/53/19 Declarations of Direct or Indirect Interest in any of the Meeting's Business Items

There were no declarations of either direct or indirect interest in any of the meetings business items.

GAUD/54/19 Minutes of the Meeting held on 28 November 2019

The minutes of the meeting were approved and accepted as a correct account of the meeting's proceedings.

GAUD/55/19 Matters Arising from the Minutes

- i) GAUD/45/19 – Audit Highlights Memorandum and Management Letter for the year ending 31 July 2019 Update.

The Financial Statement and Regularity Auditors (FSRA) advised that they had now had the opportunity to review the significant amount of work that had been undertaken since the Committee's last meeting particularly with regard to the verification and analysis of the financial forecasts

The FRSA went through how the position had now changed due to the actions that had been taken. He was also able to confirm that if the land sale did not materialise then management had a plan in place to ensure that the Bank covenant was not breached. He further confirmed that both the ESFA and the Bank were supportive of the Group's position and that it was his view that the going concern issue was now resolved. He added that it was his view that the audit opinion was now a clear one with an enhanced disclosure to the accounts to describe the position.

The FSRA also confirmed that there was a minor amendment to the letter of representation in relation to future review of the position.

The Committee sought clarification around the timing of securing planning permission and the Director of Finance and Strategy (DFS) confirmed that the earliest date was July 2020 and that she would resend the timeline out for this to members.

Minute No**Action: Director of Finance & Strategy**

After due discussion and consideration it was unanimously resolved that the Audit Highlights Memorandum for the year ending 31 July 2019 be recommended to the Board of the Corporation for approval.

Action: Board of the Corporation

- ii) GAUD/38/19 – Draft Report and Financial Statements for the period ending 31 July 2019

The DFS presented the updated Draft Report and Financial Statements for the period ending 31 July 2019 which had been amended to reflect the changes in the going concern position.

The DFS went through in detail and identified the specific proposed wording changes that were being recommended particularly with regard to the going concern statement and the notes to the accounts.

There were no further issues raised by members arising from the report and it was agreed that the Draft Report and Financial Statements for the period ending 31 July 2019 be recommended to the Board of the Corporation for approval.

Action: Board of the Corporation

There were no issues raised by members arising from the minutes

GAUD/56/19 Any Other Business

The FSRA confirmed that they were still waiting for final confirmation from the ESFA in respect of signing off the income for the Adult Education Budget and both the auditors and the DFS agreed to pursue the matter with the ESFA.

Action: Grant Thornton/ Director of Finance & Strategy

The DFS also confirmed the sign off arrangements with the FSRA for ensuring the delivery of the required documentation to the ESFA within the required period.

GAUD/57/19 Date of Next Meeting

It was agreed that the next meeting would be held at 6.00 pm on Wednesday 4 March 2020 in the Boardroom at the Altrincham Campus.

Action: Corporation Secretary

The meeting closed at 3.27 pm.