

## Audit and Risk Committee Meeting Minutes

**Date:** 3 December 2025  
**Time:** 16:00-17:30  
**Location:** A325, Old Mill Lane

### Attendance

Matt Mills (MM)	Board Governor and Audit and Risk Committee Chair
Ethan Sumner (ES)*	Co-opted Audit and Risk Committee Member
Leon Etherington (LE)*	Board Governor and Audit and Risk Committee Member
Donavan Hutchinson (DH)	Board Governor and Audit and Risk Committee Member
Stacey Ledger (SL)	Co-opted Audit and Risk Committee Member
Jo Mallows (JM)*	Board Governor and Audit and Risk Committee Member
Emma Dawson (ED)	Co-opted Audit and Risk Committee Member
Sue Hutchinson (SHu)*	Menzies
Annalee Hurley (AH)	Menzies
Robert Barnett(RB)	RSM
Hayley Allsopp (HA)	Vice Principal - Curriculum and Student Experience
Jason Barnard (JB)	Executive Director of MIS
Gavin Batty (GB)	Deputy CEO
Tony Johnson (TJ)	Vice Principal - Corporate Services
Laila Lawton (LL)	Chief Financial Officer
Carrie Sudbury (CSu)	ITS Board Chair
Jessica Melling (JMe)	Director of Governance

### Role

### Apologies

Sue Slassor (SS)	Vice Principal - Quality
Stephen Hepworth (SH)	ITS Managing Director
Carley Speechley (CS)	Board Governor and Audit and Risk Committee Member

\*joined online

### Role

Procedural Matters	
<b>1. Quoracy</b> It was confirmed the meeting was quorate.	
<b>2. Apologies for absence</b> Apologies were received from SS and CS.	
<b>3. Declarations of Interest</b> ES declared an interest due to his employment with Barclays bank, the Colleges bank.	
<b>4. Minutes of the last meeting held on 16 September 2025 for approval</b> It was <b>RESOLVED</b> to approve the Part 1 and Part 2 minutes of the meeting held on 16 September 2025 as a true and accurate record of the meetings.	
<b>5. Register of Interests*</b> The register of interest was noted.	
<b>6. Rolling Action List</b> It was noted that action A25/069 was completed.	

<p>LL provided an update on action A25/055 noting that the company remains in liquidation, and the College have received the official documentation. It was highlighted that the College are confident there is no negative financial impact as a result of this and no further challenges are expected. The action was closed.</p> <p>The committee <b>RESOLVED</b> to note the rolling actions list.</p>	
<p><b>7. Notification of items of any other business</b> No requests for any other business were shared.</p>	
<b>For Discussion</b>	
<p><b>8. Internal Audit Reports and Progress Report</b> RB talked to the reports, highlighting the following points:</p> <ul style="list-style-type: none"> <li>• Planning is in progress and all dates for audit have been agreed with the appropriate member of the management team, with scoping calls scheduled.</li> <li>• The field work for Estates and Facilities management has been completed, with a draft report expected to be shared at the next meeting.</li> <li>• Progress is on track against the planned schedule.</li> </ul> <p>It was noted that the management team will respond to the actions within the target times prescribed.</p> <p>RB drew the committee's attention to the emerging issues paper, highlighting the following points:</p> <ul style="list-style-type: none"> <li>• There is a new emerging risk in the form of misinformation spread by social media platforms.</li> <li>• Cyber attacks and artificial intelligence are contained within the top 3 most prevalent emerging risks.</li> </ul> <p>A discussion explored organisational approach to dealing with cyber attacks. It was noted that in the event of a ransomware attack, no payment would be made by the College, in line with the requirements of public funded bodies to comply with relevant guidance including but not limited to the DfE and the National Crime Agency. Discussion highlighted that the majority of RSM plans contain a cyber review due to the increasing prevalence of attacks.</p> <p>The committee <b>RESOLVED</b> to note the Internal Audit Reports and Progress Report.</p>	<p><b>Action:</b> RSM to share draft audit report on Estates and Facilities Management at the next audit meeting (3/3/26).</p>
<p><b>9. Going Concern &amp; Management Judgements</b> LL presented the Going Concern &amp; Management Judgements, highlighting the following points:</p> <ul style="list-style-type: none"> <li>• The College Group is assessed as a going concern. In reaching this judgement the trading position of the College and its subsidiaries was considered.</li> </ul>	<p><b>Action:</b> LL to update section 3: Assessment of Impact from External Risks Cyber Attack to reflect the</p>

<ul style="list-style-type: none"> <li>• The College’s subsidiaries have had individual going concern assessments, with the following results: <ul style="list-style-type: none"> <li>○ Think and BCDC were assessed as a going concern.</li> <li>○ ITS and Smartstyle were not judged as a going concern, despite being profitable, due to dept payments required of them.</li> </ul> </li> <li>• The College will need to issue letters of financial support to ITS and Smartstyle. The Department for Education (DfE) have approved this.</li> </ul> <p>The committee noted the importance of the business planning process.</p> <p>An amend to the paper was noted, to reflect the position that the College would not make payment in the event of a cyber-attack and would follow relevant agency guidance.</p> <p>It was <b>RESOLVED</b> to recommend to the Board the College group as a going concern.</p> <p>It was <b>RESOLVED</b> to recommend to the Board that the College issues a letter of financial support to ITS and Smartstyle for a period of 12 months to December 2026.</p>	<p>Colleges position of not making payment in the event of a cyber-attack (9/12/25).</p> <p><b>Action:</b> LL to prepare letter of financial support for ITS and Smartstyle until December 2026 (9/12/25).</p>
<p><b>10. Audit Findings Report &amp; Financial Statements</b></p> <p>SHu talked to the purpose of the Audit Findings Report, noting they expect to sign unmodified audit opinions.</p> <p>AH highlighted the following points contained within the report:</p> <ul style="list-style-type: none"> <li>• The audit identified a small number of misstatements and adjustments which have been corrected.</li> <li>• 3 adjustments were required for ITS.</li> </ul> <p>It was noted that there was an over depreciation of fixed assets which is not currently contained within the report. This will be included in the final report.</p> <p>The rationale for recording the pension asset as £nil on the balance sheet was clarified. It was noted that South Yorkshire pensions have provided the College with expected future employer contribution rates.</p> <p>It was noted that there will be section in the Management Letter of Representation related to LGPS. It was explained that this serves to provide assurance that the Board are satisfied with the treatment of the asset.</p> <p>A prior year adjustment was noted for ITS, which was not contained within the letter of comment. The auditors confirmed that what is presented is an accurate representation of the value and that they</p>	

<p>are satisfied with the controls in place. The incident was deemed an isolated incident.</p> <p>AH talked through the audit recommendations contained within the report, noting they are all classified as low or medium. LL noted that all audit recommendations are agreed, other than the authorisation for credit card expenditure, however processes have been updated in reasonably practicable way in response to the recommendation.</p> <p>It was noted that additional resource will be provided to support the recording and review of fixed assets.</p> <p>Menzies extended their thanks to LL and the team for their collaboration during the audit process. The committee recognised the significant amount of work undertaken and extended their thanks to all.</p> <p>It was noted that the financial statements are subject to final review, with only minor changes being expected.</p> <p>It was <b>RESOLVED</b> to note the annual audit findings report, letters of representation and financial statements and recommend their approval to the Board.</p>	
<p><b>11. Annual Report of the Committee</b>  MM highlighted the importance of the report in providing assurance to the Board on the work undertaken during the year.</p> <p>A minor amend to LE's start date was noted for correction.</p> <p>It was <b>RESOLVED</b> to recommend the report to the Board for approval.</p>	<p><b>Action:</b> JM to update LE start date in report prior to circulation to the Board (4/12/25).</p>
<p><b>12. Confidential Report</b>  A confidential report was presented and discussed by the Committee</p> <p>The committee <b>RESOLVED</b> to note the report.</p>	<p><b>Action:</b> LL to report back at next committee on the proportionate split of cash and card transactions across the college, student voice on cashless operation and the viability of cashless operation (3/3/26).</p>
<p><b>13. HE Annual Monitoring Report</b>  GB outlined the purpose of the HE annual monitoring report, noting that it is a positive report showcasing the HE delivery in relation to existing campuses, not in Church Street.</p>	

<p>Discussion explored how the College ensures quality of offering and that it obtains value for money from HE partners. It was noted that regular meetings with each partner take place and that the relationship with partners is positive and longstanding. It was also noted that the College are satisfied with the HE partnerships and where improvement was needed with partners, this has been seen.</p> <p>CS joined the meeting at 16:54.</p> <p>It was <b>RESOLVED</b> to note the report and recommend it to the Board.</p>	
<p><b>14. Link Governor Reports</b></p> <p>It was noted that there are no updates for the current meeting, however link visits are scheduled and updates will be brought to the next meeting.</p> <p>JM noted they have completed one of their link visits, noting the positive discussions that have taken place.</p>	<p><b>Action:</b> JM to share link visit feedback forms at next Audit and Risk Committee (3/3/26).</p>
<p><b>15. New Risk</b></p> <p>Discussion explored the pertinence of the emerging risk noted by RSM of cyber-attacks and misinformation through social media and the importance of regular review of protection provisions and training for staff was noted. The supply chain was highlighted as a potential risk area for cyber-attacks. It was noted that DH has an upcoming link visit and requested that cyber security is a topic of discussion. It was also requested that the Director of IT prepare a paper and attend the next meeting to present on cyber risk, mitigations and AI strategy at the next Audit and Risk Committee meeting.</p> <p>It was noted that a session for the Board of Governors on cyber security was previously planned but not delivered. It was recommended this was re-planned.</p> <p>The Committee discussed the changes to employment regulations, noting that the College will continue to monitor the implications, and any significant matters will be added to the Board Assurance Framework.</p>	<p><b>Action:</b> Director of IT to prepare a paper and attend the next meeting to present on cyber risk, mitigations and AI strategy (3/3/26).</p> <p><b>Action:</b> JM to explore cyber security training for Governors (3/3/26).</p>
<p><b>Governance</b></p>	
<p><b>16. Clerks Monitoring of Audit Recommendations</b></p> <p>JM summarised the updated monitoring of the Audit recommendations noting the following points:</p> <ul style="list-style-type: none"> <li>• 2 previously in progress actions from the external audit have been completed.</li> <li>• From the internal audit, one item under project management has been moved from fully implemented to work in progress.</li> </ul>	

<ul style="list-style-type: none"> <li>In key financial controls – one item has been moved from not due, to work in progress with expected completion in January.</li> </ul> <p>The committee <b>RESOLVED</b> to note the report.</p>	
<p><b>17. Updates</b> No updates were provided.</p>	
<p><b>Any Other Business (AOB)</b></p>	
<p><b>18. AOB</b> There was no other business declared. The meeting was closed at 17:33.</p>	
<p><b>19. Date of next meetings</b></p> <ul style="list-style-type: none"> <li>Tuesday 3<sup>rd</sup> March 2026</li> <li>Tuesday 9 June 2026</li> </ul>	