

**AUDIT COMMITTEE
 AGENDA
 Thursday 1st October 2015at 10am (Room 115)**

I	Minutes	
	To approve: minutes of the meeting held on 28 May 2015	[Attached]
II	Action Points	[Oral Updates]
III	Matters Arising/Matters for Report	[Oral Updates]
IV	Membership, Terms of Reference and Procedures for the Conduct of Meetings	[Appendix A]
V	Deep Dive – Review of Performance Indicators	[Appendix B]
VI	Internal Audit – 2014/15 Annual Report and Head of Internal Audit Opinion To receive	[Appendix C]
VII	Internal Audit – 2015/16 Audit Plan To receive	[Appendix D]
VIII	Internal Audit – Admissions Process To receive	[Appendix E]
IX	Draft Audit Committee Annual Report 2015/16 To consider:	[Appendix F]
X	Safety Audit – Update and Progress Report To consider:	[Appendix G]
XI	IS Audit – Action Plan and Progress Report To note:	[Appendix H]

These minutes are for information only. Any corrections to the minutes will be recorded in the minutes of the subsequent meeting of the committee.

SOAS, University of London

AUDIT COMMITTEE

Thursday 28th May 2015

MINUTES

Members: Steve Tinton (Chair)
Rosna Mortuza

In attendance: Graeme Appleby (Director of Finance & Planning)
James Aston (BDO – External Auditors)
Richard Hewes (KPMG – Internal Auditors)
Chris Ince (Secretary to Audit Committee)
Jodie Lusby (KPMG – Internal Auditors)
Nirmala Rao (Pro-Director) for Item 40
Neil Thomas (KPMG – Internal Auditors)
Paul Webley (Director)

Apologies: Charles Ilako
Andrew Popham
Laura Gibbs (Registrar)

37. Minutes

The minutes of the meeting on 5th February 2015 were **approved**.

38. Action Points

The Committee **noted** that all the actions had been completed or where on the agenda.

39. Matters arising/matters for report

(i) Library

The Committee **noted** the strategic importance of the library to the School and that it might form the topic for a deep dive review in the next academic year.

40. Deep Dive Review – Learning & Teaching risks

The Pro-Director, Learning & Teaching **reported** on the key risks to the School in relation to learning and teaching. These were around student recruitment and the factors that affected this such as national trends in subjects, immigration changes and the impact of overseas recruitment; the student experience and how underperformance in some areas impacted on league tables; and future funding and the need to invest in the areas that made SOAS distinctive and develop areas such as distance learning.

There was significant activity in this area to manage the risks including improved efforts around conversion of offers to acceptances and the planned work to review the School's curriculum. The ownership of the risks and actions was clear at the Executive Board level but greater ownership was required within faculties and academic departments. It was essential the School had a clear plan for this vital area of work and that this showed who was accountable for actions and progress was monitored.

41. External Audit – Planning Report (Appendix A)

BDO **reported** that there were no regulatory changes in the current cycle but planning was starting for the transition to the new SORP from 15/16, covered under Appendix H on the agenda.

42. Risk Register (Appendix B)

The Secretary **reported** on the latest version of the Risk Register. This had been amended since the last meeting following detailed discussions at Executive Board about the overall risk ratings and a shift to including more strategic actions within those planned. Further actions would be included following the outcome of the current discussions around sustainability and in line with the earlier discussions in the meeting EB would look at how the academic risks and actions could be better embedded within faculties and departments

The Committee **noted** that the full Risk Register would be considered by Governing Body at its meeting in July.

43. Internal Audit – Progress Report (Appendix C)

The Committee **noted** the progress report from KPMG.

44. Internal Audit – Governance & Risk Report (Appendix D)

KPMG **reported** on the audit of governance and risk, which had focused on the School's compliance with the newly introduced HE Governance Code. There were no fundamental concerns but there were a number of gaps to address over the next year. The report would be reissued following some minor amendments suggested at the meeting.

The Committee **agreed** that the audit report should be incorporated in to the documents for the effectiveness review and also sent to Governing Body when it received a paper on the new Code at its next meeting.

The Committee **agreed** that the annual plan for Governing Body should include a programme of academic items such as recruitment, enrolments, NSS and progression.

45. Internal Audit – Health and Safety Report (Appendix E)

KPMG **reported** on the audit of the School's Health & Safety Management System. There were some areas for improvement and this was a reserved power of Governing Body with significant risk implications in any serious failure. It was essential the School had appropriate policies and procedures in place with the necessary documentation.

The Committee **agreed** it would review progress against the actions and management responses at its next meeting.

46. Internal Audit – Data Quality Report (Appendix F)

KMPG **reported** on the data quality report and the positive approach to data quality within the School. However, some policies and procedures needed to be properly documented and adequate training provided. The Committee **asked** for an update on the 126 students who had missed visa compliance at its next meeting.

47. Internal Audit – IS Governance and Operations Report (Appendix G)

KPMG **reported** on the internal audit of IS governance and operations. This had raised a number of serious concerns and a need for better governance arrangements, which would resolve a number of the other recommendations made within the report. Lines of responsibility were clear and the Registrar had taken steps to improve matters.

The Committee **agreed** it wanted to see a detailed action plan and any progress made at the next meeting.

48. Internal Audit – Payroll and Pensions Report (Appendix H)

The Committee **noted** the report and the need to better document existing manual processes.

49. Upcoming accounting changes for 2015/16 (Appendix H)

The Committee **discussed** the changes to the SOPR for the 2015/16 accounts. There were three main changes relating to the recognition of the USS pension deficit, the ability to revalue the estate and changes to deferred capital grants.

The Committee **agreed** that the School would not revalue its estate at this point in time. Although a revaluation would offset the liability from the USS pension it would lead to a significant increase in depreciation. Any impact on the balance sheet from not making the change was not perceived to be a major issue in respect of borrowing requirements.

The Committee **approved** the treatment of deferred capital grants on the accruals model proposed in the paper.

50. Date of next meeting:

The Committee **noted** the next meeting would take place on 1st October 2015.

AUDIT COMMITTEE: Action Points

Minute	Item	Action 2014/15	Deadline for report to AC	By
10	Internal audit – governance	Deep dive review of performance indicators	1/10/15	CI
32	Risk Register	Inclusion of risk register and methodology on GB informal agenda	1/10/15	CI
39	Matters arising – library	Consideration of library for a deep dive review	1/10/15	LG/CI
44	Governance & Risk audit	Reissue final report	12/6/15	KPMG
44	Governance & Risk audit	Report included in papers for GB meeting	6/7/15	CI
44	Governance & Risk audit	Academic items in annual GB plan	2/10/15	CI/NR
45	Safety audit	Review progress against action plan	1/10/15	CI/KPMG
46	Data quality audit	Update on student visa compliance	1/10/15	LG
47	IS audit	Detailed action plan and progress	1/10/15	LG