

# South Bank Academies

CONFIDENTIAL

**Minutes of the meeting of the South Bank Academies - Audit Committee  
held at 3.00 pm on Tuesday, 29 November 2016  
1B27 - Technopark, SE1 6LN**

## **Present**

Richard Flatman (Chair)  
Adam Crossley  
Tony Giddings

## **In attendance**

Dan Smith  
James Stevenson  
Michael Broadway (by conference call)  
Pervena Singh  
Rao Bhamidimarri  
Simon Cunningham (External Auditor – Kingston Smith LLP)

### **1. Welcome & apologies**

The Chair welcomed members to the first audit committee meeting.

The Chair outlined the purpose of the meeting which was to review draft accounts for South Bank Academies and consider the outcome of the external audit.

The committee noted that the accounts included in the meeting papers did not include the in-year transfer of undertaking from South Bank Engineering UTC Trust. The Secretary confirmed that the transfer of undertaking legally completed on 1 July 2016. Combined accounts, which included the in-year transfer from the UTC company, were tabled at the meeting.

The committee noted the Board's responsibility to prepare "true and fair accounts" for the Company and requested urgent legal advice on which set of accounts the Board was required to approve.

*{Secretary's note: legal advice confirmed that it was appropriate for the Board to prepare and approve combined accounts. This position was subsequently agreed with the Education Funding Agency (EFA).}*

### **2. Declarations of interest**

No interests were declared on any item on the agenda.

### 3. **External audit findings**

The External Auditor (Kingston Smith) presented the audit findings for the year-end 31 August 2016. No material weaknesses had been identified. The committee noted that all recommendations for 2015 had been implemented.

The committee requested an amendment or footnote to make clear that any material misstatements had not been identified as a result of audit work. A final version would be circulated to the committee.

### 4. **Going concern statement**

The committee approved the going concern review. The review provided assurance for the going concern statement in the annual report and accounts.

The auditors confirmed that it was appropriate to prepare accounts on a going concern basis.

### 5. **External audit letter of representation**

The committee discussed the letter of representation to the auditors which had been recommended to the committee by the CEO. The committee noted that the letter contained standard representations only and that no items had been inserted specific to South Bank Academies.

The committee recommend the letter of representation to the Board for approval subject to minor adjustments, if required, following advice on the preparation of the accounts. {Secretary's note: See note to minute 1.}

### 6. **Draft South Bank Academies Annual Report & Accounts**

The committee reviewed the tabled draft combined annual report and accounts. The committee noted that further changes may be necessary following legal advice on the preparation of the accounts.

The committee requested an assurance report on the system of internal control and value for money (VfM) so the committee could give assurance to the Board that it was appropriate to approve the internal control and the VfM statement in the accounts.

The committee requested that the reserves and investment policies be reviewed ahead of the Board meeting.

The committee noted that no restatement of the 2015 position had been required following the adoption of FRS102.

The committee requested that the related party transactions are reviewed to reflect the equivalent disclosure in London South Bank University's accounts.

**7. Group Risk Register**

The committee discussed the group risk register and requested to review the document at every audit meeting.

**8. Dissolution of South Bank Engineering UTC Trust**

The committee noted that the directors of South Bank Engineering UTC Trust intended to apply for its dissolution by the registrar of companies. A Board meeting is scheduled in December 2016 to approve final company accounts for 2015/16 and to approve the dissolution of the company. The UTC company accounts would also be filed with the EFA. Since 1 July 2016, the running of the UTC school was the responsibility of South Bank Academies.

**9. Any other business**

The committee noted the need to create greater synergies between South Bank Academies and the sponsor, LSBU. The CEO was developing a plan in response to the Apprenticeship Levy.

The Secretary reported that for future years three meetings of the committee would be planned.

**Date of next meeting  
3.00 pm, on Thursday, 9 March 2017**

**Confirmed as a true record**

..... (Chair)