

**Minutes of the joint meeting of the South Bank Academies Audit Committee
and Board of Directors
held at 12.00 pm on Wednesday, 20 December 2017
Technopark, SE1 6LN**

Present

Richard Flatman (Chair)
David Phoenix
Rao Bhamidimarri
James Stevenson
Douglas Denham St Pinnock
Richard Parrish

Apologies

Adam Crossley
Tony Giddings
Lesley Morrison

In attendance

Claire Viner
Michael Broadway
Joe Kelly
Anjali Kothari (via conference call)

1. Welcome and apologies

The Chair of Audit Committee welcomed members to a joint meeting of the Audit Committee and Board of Directors.

South Bank Academies External Auditor, Anjali Kothari (Kingston Smith LLP), joined the meeting by teleconference.

The above apologies were noted.

Members agreed the meeting would focus on the Annual Report and Accounts.

2. Declarations of interest

No member declared a conflict of interest with any item on the agenda.

3. South Bank Academies Annual Report and Accounts

The purpose of the meeting had been to review and approve the annual report and accounts. The CEO had circulated a first draft set of annual accounts (numbers only) to all directors on Tuesday 19 December 2017. The meeting noted it would not be possible to approve and sign off the annual report and accounts at this meeting, as planned.

The auditor gave an update on the current position with the accounts. The meeting noted the auditors had received an extended trial balance on 18 December 2017, which has not yet been audited. The accounts would be audited over the Christmas period, and a set of draft audited accounts and final queries would be delivered to the company by the auditors by the end of 4 January 2018. The Board noted that the key areas to address in the audit of the accounts are income recognition, payroll reconciliations, staffing and fixed assets.

The Board was extremely disappointed to accept that the deadline for submission of approved audited accounts and auditor's management letter to the ESFA of 31 December 2017 would be missed. The meeting agreed that the Chair of the Audit Committee would inform the ESFA and request an extension with an anticipated submission date in mid-January.

The meeting noted that the ESFA has a deadline on 19 January 2018 for the submission of the Annual Accounts Return (AAR), a separate return. The meeting requested that the CEO provide a timetable to the Board detailing the work to be completed between 4 and 19 January 2018 in order to meet this deadline. The meeting noted the CEO was drafting the Trustees' section of the annual report, which would require review by the Board.

The meeting noted that the AAR must be signed off by the auditor, and requested that management work with LSBU's Performance, Planning and Assurance team to review and verify the data to be submitted. The Board requested the CFO to begin work on the AAR with immediate effect.

The auditor confirmed that its management letter would contain a number of high risk areas. The meeting noted that management would need to respond and be in a position to understand why things went wrong; to be able to confirm that books and records are now up-to-date; and to set out how this would be addressed so it does not happen again.

The meeting agreed that the Audit Committee and Board would meet again during the week commencing 8 January 2018 to review and approve the audited accounts.

The CFO confirmed that internal audits had been conducted on a termly basis in 2016/17, and as far as possible in 2017/18. The meeting requested an internal audit report be brought to the next meeting of the Audit Committee. The meeting agreed to appoint an independent internal auditor.

4. Public benefit statement

The Board approved the Public Benefit Statement for inclusion in the Annual Report.

5. **Governance statement**

The Board approved the Governance Statement for inclusion in the Annual Report.

6. **Annual value for money report**

The Board approved the Value for Money Statement for inclusion in the Annual Report.

7. **Anti-fraud, bribery and corruption report**

The Board noted the Anti-fraud, bribery and corruption report.

8. **Speak up report**

The Board noted the Speak Up report.

9. **Any other business**

There was no other business.

**Date of next meeting
12.00 pm, on Friday 12 January 2018**

Confirmed as a true record

..... (Chair)