



AUDIT COMMITTEE

9 February 2021 - via Microsoft Teams (including video link)

CONFIRMED SUMMARY MINUTES

Contact Susan O'Donnell, susan.odonnell@northumbria.ac.uk, Secretary to the Board of Governors, with any queries about these Summary Minutes.

Present: J Bromiley (Chair), A Corfield, P Judge [AC20/54-56], SPelham, A Rice-Thomson
Apologies: A Thomas (KPMG)
Secretary: S F O'Donnell (Secretary), M Ritzmann (Assistant Secretary)
In attendance: D Monnery, S Newitt, C Partridge (KPMG), Professor A Wathey

MAIN ITEMS DISCUSSED/DECIDED ON AT THE MEETING

1.	<p><u>Internal Audit</u> Final Internal Audit Annual Report and Opinion 2019/20 [AC20/53] The Committee noted the Final Internal Audit Report and Opinion 2019/20 and that there had been no change to the internal audit opinion conclusion from that presented in draft to the 9 December 2020 Audit Committee.</p>
2.	<p><u>External Audit and OfS Returns</u> External Audit Report 2019/20 [AC20/54] The Committee considered the External Audit Report 2019/20 which had been brought back to the Committee owing to the adjusted audit differences made to the group accounts and ahead of the 22 February 2021 Board of Governors meeting at which the 2019/20 Annual Report and Financial Statements would be subject to approval. The Committee noted that beyond the adjusted audit differences, no further changes had been made to the version of the report considered at the 9 December 2020 Audit Committee and that a confirmed management response to one low risk recommendation would be included in the final version of the report.</p> <p>2019/20 Annual Report and Financial Statements [AC20/55] The Committee considered the revised Annual Report and Financial Statements for 2019/20, which had been endorsed by the Committee and Employment and Finance Committee in December 2020 and approved by the Board of Governors, subject to there being no significant changes as the external audit process was completed. Significant although not material updates had since been made to the London Campus accounts, which had resulted in changes to the consolidated accounts but not the University's own accounts, as well as a change to the external audit report 2019/20 to the Committee, including these adjusted audit differences. There were no implications for 2020/21 or future years, and no impact on the financial covenant agreed with Barclays for 2020/21 – at the first measurement date the University's cash holding was well above the required level. The Committee noted the confirmation that the issues identified did not reflect on the conformance of the accounts, which would be submitted to the OfS ahead of the required deadline. It received assurance that the changes did not indicate a control weakness but that a recommendation regarding the procedures regarding updates to the London Campus accounts was being addressed. The Committee endorsed the 2019/20 Annual Report and Financial Statements for onward submission to the Board of Governors for approval.</p>
3.	<p><u>Policy, Risk and Assurance</u> Final Audit Committee Annual Report 2019/20 [AC20/56] The Committee considered its Final Annual Report 2019/20 which had been updated following consideration at the 9 December 2020 Audit Committee to reflect the final internal audit annual report and opinion 2019/20 and external audit report 2019/20. The recommendation in the coversheet was amended at the meeting to request approval of the Annual Report ahead of its submission to the Board of Governors. The Committee approved the Audit Committee Annual Report 2019/20 for onward submission to the Board of Governors on 22 February 2021, subject to minor wording clarifications.</p>