Heart of Yorkshire Education Group Corporation

Audit Committee (Committee)

Minutes of the Meeting held on Tuesday 25 November 2025 at 4.00pm via MS Teams (Meeting)

Present:

- Jason Brook
- Jayne King (Chair)
- Vijay Teeluck

In attendance:

- Vici Cadwallader-Webb (ICCA)
- Caroline Carter (Group Executive Director of Finance and Resources)
- Sam Cremore (Head of Governance and Legal Services)
- Richard Lewis (RSM)
- Katie Nicolaou (Shadow Governor) (to minute 10)
- Neil Warren (minute 10 only)

Apologies: Mohammed Ayub

1. **Appointment of Chair and Vice Chair of Audit Committee 2025/26**

   1.1. The Committee noted that Jayne had been appointed Chair for 2025/26 by written resolution prior to the Meeting and it was agreed that Jason would continue as Vice Chair for the year.

2. **Welcome and Apologies for Absence**

   2.1. The Chair welcomed all attendees to the meeting including Vijay who was attending her first Committee meeting, confirmed that the meeting was quorate.

and noted apologies for absence. The Chair outlined the meeting's purpose and structure.

3. Declarations of Interest

3.1. Members were reminded to declare any interests that might arise during the meeting. No declarations were made.

4. Minutes of Meeting held on 9 June 2025

4.1. The Committee reviewed the minutes of the previous meeting and confirmed them as an accurate record. No amendments were required.

4.2. IT WAS RESOLVED THAT the minutes of the Audit Committee meeting held on 9 June 2025 were approved.

5. Matters Arising

5.1. The Committee received updates on actions from the previous meeting. Most actions had been completed, with the exception of consideration of the use of a Board Assurance Framework ('BAF') going forwards. It was agreed that the issue would be raised with the Board during the Committee update at the next Board meeting.

5.2. Questions and answers:

5.2.1. Does a BAF supplement or replace the work already done by the Committee? ICCA answered that sometimes they can be considered to be a piece of work that is seen as being 'as well as' the work committees do already but, when done right, can be 'instead of'. The Group Executive Director of Finance and Resources agreed to look into the use of a BAF in more detail and to consider the effort and resources required to deliver

one, while ICCA agreed to provide some examples from other clients. RSM referenced the benefit of a BAF when the Committee is looking at the self assessment of the Regulations.

6. Status of Outstanding Audit Recommendations

6.1. The Group Executive Director of Finance and Resources presented an update on the audit recommendation tracker. The Committee noted good progress, with most recommendations implemented. One HR related action remained outstanding due to staffing challenges, but plans were in place to address these.

6.2. Questions and Answers:

6.2.1. Q: In terms of verifying the implementation of audit recommendations, what approach was taken?

A: Evidence was required by ICCA for all recommendations - nothing was accepted as complete without documentation.

6.2.2. Q: Would this approach be extended to external audit recommendations?

A: ICCA explained it was proposed to include external audit recommendations for third-party assurance.

6.2.3. Q: Regarding the outstanding HR recommendation, was the June deadline reasonable?

A: The deadline had been extended due to staffing issues, but recruitment and agency support were being considered.

6.2.4. Q: If the issue was not resolved by June, would it appear in the external audit report again?

A: Potentially, yes, but steps were being taken to avoid this.

7. Internal Audit Reports 2024/25 and 2025/26

7.1. ICCA presented several internal audit reports relating to 2024/25, covering funding, staff establishment controls, and key financial controls. The Committee noted that substantial assurance had been provided in most areas, except the mock funding audit for which the Group had received reasonable assurance, with recommendations accepted by management. The timing of future audits and the inclusion of external audit recommendations in follow-up processes were discussed.

7.2. ICCA presented an interim Health and Safety Audit under the 2025/26 audit plan. Reasonable assurance had been given but it was expected that, when the final report was issued later in the year, this would be upgraded to substantial as most recommendations were being implemented.

7.3. Questions and Answers:

7.3.1. Q: Were all recommendations followed up, regardless of priority?

A: Yes, all recommendations were followed up.

7.3.2. Q: Regarding anomalies in the funding audit, did they relate to a particular area or college?

A: Most related to pre-merger arrangements; current systems were consistent across the Group.

7.3.3. Q: What was the impact of unsigned enrolment forms on funding?

A: While an unsigned form was an issue, additional evidence could mitigate the risk.

7.3.4. Q: Could improvements have been undertaken if the staffing establishment controls audit had been provided sooner?

7.3.5. A: ICCA acknowledged the lateness of the report, but it was agreed this would not necessarily have been the case.

7.3.6. Q: Was the timing of the Health and Safety audit aligned with the new manager's start date?

A: Yes, the audit would help shape the new manager's priorities.

8. Internal Audit Annual Report 2024/25

8.1. The Committee received the Internal Audit Annual Report, which provided reasonable assurance over the Group's risk management and internal control systems. No material control breakdowns were identified.

8.2. The Committee questioned the lack of an opinion on governance. It was noted that the recent external governance review and the previous year's internal review would be used. ICCA explained that internal audits would include governance reviews going forwards.

8.3. IT WAS RESOLVED THAT the Internal Audit Annual Report 2024/25 was to be recommended to the Board for approval.

9. Audit Committee Annual Report 2024/25

9.1. The Committee reviewed its own annual report, confirming that all duties had been fulfilled and noting areas for future development, including the Board Assurance Framework.

9.2. IT WAS RESOLVED THAT the Audit Committee Annual Report 2024/25 was to be recommended to the Board for approval.

10. Report and Financial Statements for the Year End 31 July 2025

10.1. The Committee considered the draft financial statements, audit findings, and the regularity self-assessment questionnaire. RSM explained the Board's responsibilities and asked the Committee to confirm whether it could recommend the signing of the statement of internal control in the financial statements. The Committee confirmed. RSM confirmed it expected to give an unmodified opinion on the financial statements and regularity conclusion with no material misstatements in its audit findings report and outlined the key highlights.

10.2. RSM noted that the letters of representation would be provided by RSM in due course and considered the regularity self-assessment questionnaire with which they were satisfied.

10.3. Questions and Answers:

10.3.1. Q: Had the annual accounts been updated since the governor deep dive session?

A: Minor changes had been made based on governor feedback; the final version was ready for Board.

10.3.2. Q: What was the significance of the asset situation in the pension scheme?

10.3.3. A: It was an accounting matter; disclosures were appropriate and consistent with previous years.

10.3.4. Q: How many instances of fraud had there been during 2024/25?

A: One was noted. The Committee was satisfied that it had been dealt with appropriately. The Committee discussed fraud risk training which RSM agreed to facilitate, if required.

10.4. IT WAS RESOLVED THAT the:

10.4.1. Audit Findings Report;

10.4.2. Report and Financial Statements for the Year End 31 July 2025; and

10.4.3. Regularity Self-Assessment Questionnaire,

were each to be recommended to the Board for approval.

10.5. The Committee thanked Caroline and her team and RSM for their hard work. Particular thanks went to Dawn Hartley, the Group's former Director of Finance, for her work on these financial statements, which would be her last after many years working for the Group. RSM too thanked management for their open and responsive approach.

10.6. The Committee considered RSM's Emerging Risks publication and discussed the prevalence of cyber-attacks in the sector.

11. Management Assurance on Risk Management

11.1. A management assurance paper was presented, highlighting the Group's approach to risk management and the implementation of a new fraud risk assessment in line with recent legislation. The Committee was assured that controls were robust and proportionate.

11.2. IT WAS RESOLVED THAT the Management Assurance on Risk Management be accepted.

12. Risk Register Update and Emerging Risk Report

12.1. The updated risk register was presented, reflecting a full review and the addition of new and emerging risks following a ground-up risk review of each Group department. The Committee discussed the ongoing challenge of risks above tolerance and agreed to maintain the current risk appetite, with further deep dives planned at the year's remaining meetings. The register would be shared with the Board at its next meeting.

12.2. IT WAS RESOLVED THAT the Risk Register Update be approved.

13. Management Report on Staffing/Payroll Controls

13.1. A management assurance report on staffing and payroll controls was received, providing evidence of robust processes and a high level of accuracy in payroll transactions. The Committee noted the improvements and ongoing monitoring.

14. Report on Compliance with DfE Weston College Recommendations

14.1. The Committee reviewed the College's compliance with recommendations arising from the DfE's intervention at Weston College. Changes to the Remuneration Committee's terms of reference were noted, and the Group's processes were considered to be robust.

15. Closed Session with the Auditors

15.1. A closed session was held with the external auditors, who provided feedback on the audit process, highlighted the importance of knowledge transfer during staff changes, and confirmed positive collaboration with management.

16. Review of Effectiveness of Meeting and Identification of Emerging Risk

16.1. Members were invited to provide feedback on the effectiveness of the meeting and to identify any emerging risks. The Committee agreed to continue with online meetings and to schedule deep dives on key risks at future meetings.

17. Date of the Next Meeting

17.1. The next meeting of the Audit Committee was scheduled for 17 March 2026.

Actions

No.	Minute	Details	Deadline	Responsibility
1	MA1 (9 June 2025)	Complete review and potential merging of Anti-Fraud and Anti-Bribery Policies; renamed Whistleblowing Policy	Next review cycle	Clerk
2	5.1	It was agreed that the use of a BAF would be raised with the Board during the Committee update at the next Board meeting.	Next Board meeting	Chair

3	5.2.1	The Group Executive Director of Finance and Resources agreed to look into the use of a BAF in more detail and to consider the effort and resources required to deliver one, while ICCA agreed to provide some examples from other clients.	Next meeting	Group Executive Director of Finance and Resources and ICCA
4	8.3	IT WAS RESOLVED THAT the Internal Audit	Nex Board meeting	GEDFR

		Annual Report 2024/25 was to be recommended to the Board for approval.		
5	9.2	IT WAS RESOLVED THAT the Audit Committee Annual Report 2024/25 was to be recommended to the Board for approval.	Next Board meeting	Clerk
6	10.3.4	Fraud training would be arranged	Prior to the next meeting	Clerk
7	10.4	IT WAS RESOLVED THAT the: Audit Findings	Nex Board meeting	GEDFR

		Report; Report and Financial Statements for the Year End 31 July 2025; and Regularity Self-Assessment Questionnaire, were each to be recommended to the Board for approval.		
8	12.1	Scheduled deep dives on cyber security and health & safety risks at future meetings	Ongoing	Clerk/Committee Chair

Jayne King
Date: 2026-03-08 21:15 CET
Signed via account: [redacted]