



Date: Thursday 17 November
 Time: 18:00
 Venue: South Wing G14 Committee Room

Risk & Audit Committee Minutes

Chair: Ben Booth

Members:	P	AP	AB
Hamza Ahmed, Education Officer	✓		
Ben Booth, Chair of Risk & Audit Committee	✓		
Adrien Jouis, Student Member (AJ)	✓		
Mary Mcharg, Activities & Engagement Officer	✓		
Rachel Lim, Student Trustee	✓		
Kerem Isik, Student Member (KI)	✓		
Umair Mehmood, Welfare & Community Officer	✓		

In Attendance:
Dorota Dominiczak, Director of Finance
Deb Nichols, Director of Operations
Rebecca McLoughlin, Minutes
Simon To, Director of Policy, Governance & Insight

1. Welcome and Introductions

The Chair welcomed everyone to the meeting, and everyone introduced themselves.

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2. Terms of Reference & Membership

APPROVED

3. Minutes and Matters Arising from the meeting on 17 May 2022

The Chair noted the following matter arising that was still outstanding:

- The Director of Finance to come back to the next meeting with options regarding going to tender for the outsourced internal audit reviews.

The Committee members discussed if there was a need for an internal audit. As the external audit had not shown any significant issues it was agreed that setting up internal audit was not a good use of limited funds.

The Committee approved the minutes from the meeting on 17 May 2022 as a true and accurate record.

APPROVED

4. Post-Audit Management Report for Financial Year 2021-22

The Director of Finance introduced the External Auditor, Shachi Blakemore from Buzzacott LLP. The External Auditor confirmed that the audit of the accounts for year ending 31 July 2021 was conducted in September. All schedules and reports were submitted in advance of the

audit and testing concluded in line with the timetable. They noted that there were no adjustments made to figures presented for audit as only trivial misstatements were noted during the audit. They added that all the audit points from the previous years have been addressed and were closed by the auditors.

The External Auditor went on to outline the two recommendations made following the 2020-21 audit around keeping complete and up-to-date employment contracts and the removal of fully depreciated assets from the fixed asset reporting. They outlined to the Committee how these were being addressed.

The Committee discussed the new employment legislation regarding staff working out-of-hours and it was noted that this is not a liability for the Union.

The Committee questioned the issue around the miscalculation of the pension liabilities and if there was a risk that this could happen again. The External Auditor confirmed that this was just a miscalculation error in the figures and should not happen again.

The Committee received the Post-Audit Review Report for Financial Year 2021-22.

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The Committee relocated to the SU Building as a fire alarm had gone off in the South Wing of the Wilkins Building.

5. Review of 2021-22 financial statements

The Director of Finance gave a detailed overview of the financial statements for 2021-22. They highlighted that the Union made an accounting surplus of £273k in 2020-21.

The Director of Finance went through the Trustees Annual Report and gave a brief summary of the Structure, Governance and Management highlights from the report which included the following:

- Recruiting and training of trustees.
- Relationship with University College London.
- Employment Policy.
- Statement of Trustees Responsibilities.
- Risk Management.

They went on to highlight the Strategic Review and what we have achieved and future plans.

The Director of Finance gave an in-depth overview of the Statement on Financial Activities and the Balance Sheets. They noted that overall, these were a very positive set of accounts.

The Director of Finance asked the Committee to recommend these Financial Statements 2021-22 to the Board for signing and filing.

The Committee recommended that the Financial Statements 2021-22 be recommended to the Board for signing and filing.

RESOLVED

6. Risk Register Monitoring Report (Quarter 1 & Annual Update)

The Director of Operations outlined the purpose of the risk register which is to ensure risk is managed to support the achievement of the Students' Union objectives, protect our people and business assets and ensure financial sustainability. They noted that the Strategic Risk register is reviewed by the Senior Management Team (SMT) on a quarterly basis and amended as and when needed. A Risk Management Working Group meets periodically to review the Strategic Risk register for new risks or any risks where the likelihood or impact has changed significantly or to remove risks from the register. Risk owners are identified for each of the risks and there is wider involvement of other members of the Students' Union and UCL and other stakeholders who help with the day to day mitigation and management of the risk.

The Director of Operations went through the twenty two identified risks on the Risk Register and gave a brief overview of each of them.

The Committee asked why some risks were still red. The Director of Operations explained that some risks would always be red as there was no way to completely mitigate the risk so there is a process put in place to accept this.

The Committee asked what the profit margins were for the hoodies in the Union shop. The Director of Operations said that it depended on a number of issues such as the quality of the hoodie, the design, etc.

The Committee asked what the issues were around recruitment. The Director of Operations responded that the recruitment process was very slow due to having to use UCL's systems and also legally we have to advertise roles through redeployment first. The HR team have been looking at ways to work around this such as advertising alongside redeployment and ensuring that any redeployment applications are prioritised.

The Director of Operations asked the Committee to receive the Risk Register Monitoring Report (Quarter 1 & Annual Update).

The Committee received the Risk Register Monitoring Report (Quarter 1 & Annual Update).

RESOLVED

7. Compliance Register (Annual Update)

The Director of Policy, Governance & Advocacy confirmed that it is the responsibility of the Board to ensure compliance with all legal and regulatory obligations. The Compliance Register outlines all areas of compliance and where responsibility lies if delegated by the Board. They noted that the register is reviewed annually by the Committee and then reported to the Board.

The Director of Policy, Governance & Advocacy highlighted that all areas were green on the Compliance Register except for the following two amber areas (which are partially met):

- The organisation complies with fundraising law and regulation and ensures the tax implications have been properly addressed.
- The organisation abides by the laws relating to trademarks, copyright and patents.

They explained that the Union are confident that we have maintained compliance with issues arising in these two areas, however we would like to do more exploratory work to ensure that we have robust processes in place to consider any potential future activities in these areas. They noted that the Union have recently engaged with fundraising consultants to look at fundraising opportunities and no obvious issues were flagged as part of this process.

The Committee discussed the possibility of the Union looking at trademarking their logo. The Committee asked why we were still registered as UCLU and it was outlined that our legal entity is UCLU and to change this we would need to engage in significant effort and cost. The Chair added that this can also lead to a disjunction in an organisation's public records.

The Committee asked how this Compliance Register compares to last year and it was noted that the two amber areas were the same.

The Director of Policy, Governance & Advocacy asked the Committee to approve the Compliance Register and recommend it to go forward to the Board.

The Committee approved the updated Compliance Register and recommended it to go forward to the Board.

RESOLVED

8. Health & Safety Report (Quarter 1)

RECEIVED

9. Management Accounts (end of year 2021-22)

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10. Update on Safeguarding Policy

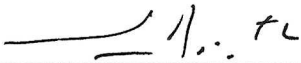
The Director of Policy, Governance & Advocacy explained that the Union has current safeguarding arrangements in place which meet our obligations legally. We have recently engaged with a consultant to review and extend our safeguarding arrangements and it is expected that this will be reported further into the year. They noted that a new policy is likely to be adopted by the Board before the Committee's next meeting.

The Committee asked if this new policy would change the Union's currently duty of care. The Director of Policy, Governance & Insight responded that the policy will be more explicit and is likely to go further than our current arrangements so that we meet good practice.

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11. Any Other Business

There was none.

Minutes approved as a true and accurate record	
Chair:	Ben Booth
Signature:	
Date:	16 th May 2023