



Date: Thursday 14 November 2023
 Time: 18:00
 Venue: South Wing G14 Committee Room

Risk & Audit Committee Minutes

Chair: Ben Booth

Members:	P	AP	AB
Ahmad Ismail, Equity & Inclusion Officer	✓		
Ben Booth, Chair of Risk & Audit Committee	✓		
Callie Yoo, Student Trustee	✓		
Grace Hu, Student Trustee	✓		
Issy Smith, Postgraduate Officer	✓		

In Attendance:
Dorota Dominiczak, Director of Finance
Deb Nichols, Director of Operations
Rebecca McLoughlin, Minutes
Shachi Blakemore, Buzzacott LLP, External Auditors (item 4)
Simon To, Director of Policy, Governance & Advocacy

1. Welcome and Introductions

The Chair welcomed everyone to the meeting.

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2. Terms of Reference & Membership

RECEIVED

3. Minutes and Matters Arising from the meeting on 16 May 2023

The Chair noted the following matter arising was still outstanding:

- The Director of Operations to draft a letter for the Chair, to be sent onto the Chief Executive regarding any significant risks.

The Director of Operations responded that there was no longer a need to do this, and the reasons would be addressed in item 6 on the agenda.

The Committee approved the minutes from the meeting on 16 May 2023 as a true and accurate record.

APPROVED

4. Post-Audit Management Report for Financial Year 2022-23

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 2022 was conducted in September. They confirmed that the audit has been carried out in accordance with the Audit Planning Letter. All schedules and reports were submitted in advance of the audit, and testing concluded in line with the timetable. The key risk areas highlighted during the planning process have been adequately addressed during the audit

work. There were no adjustments to figures presented for audit as only trivial misstatements were noted during the audit.

The 2022/23 audit highlighted five recommendations to be addressed by management which included:

- Currently no disaster recovery plan in place
- High cash amount held with one bank that has recently been highlighted in the financial news
- Cybersecurity arrangements with UCL

However, they noted that there was nothing outstanding and were happy to recommend this to be presented to the Board.

The Committee asked for further information regarding the cybersecurity arrangements and the external auditor responded that they required further clarity from the Students' Union on who would be financially responsible should there be a cyber-attack. The Chair noted that they would recommend obtaining Cyber Essentials certification.

The External Auditor went on to outline the recommendation around the Disaster Recovery Plan and the need have this all in one document.

The Committee discussed Treasury Management and the large cash sum in Metro. The External Auditor highlighted the need to obtain expert advice on this. The Director of Finance noted that some of the cash has been moved back to Barclays for safety and they will be obtaining expert advice on how best to invest this. The Committee noted that the Government Guarantee Scheme is for up to £85k and discussed the possibility of spreading the reserves across different banks.

The Committee received the Post-Audit Review Report for Financial Year 2022-23.

RECEIVED

5. Review of 2022-23 Financial Statements

The Director of Finance gave a detailed overview of the financial statements for 2022-23. They highlighted that the Union made a statutory surplus in all funds of £723k before accounting for unrealised losses on investments and an increase in pension provision. At the end of 2022/23, the Union is in a strong financial position with growing grant funding from UCL, increased commercial income and good return on investments.

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 Review, 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. The Committee asked if inflation applies to these figures and the Director of Finance responded that these are real historic figures and we only talk about inflation when we are looking at the budget. The Committee asked if there was a recommended amount that should be held in reserves. The Director of Finance responded that as we are a charity we should aim to have around 6 months of reserves. The Committee asked where our investment with UCL is included and the Director of Finance confirmed that this is in our restricted reserves.

The Director of Finance asked the Committee to recommend these Financial Statements 2022-23 to the Board for signing and filing.

The Committee recommended that the Financial Statements 2022-23 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.

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

The Committee asked for examples of a critical incidents. The Director of Operations replied that this could be fire, robbery, etc. They added that they are currently doing work around our response to a terrorist attack.

The Committee asked about the policy on our stance on the current conflict. The Director of Governance, Policy & Advocacy responded that we would need to have a discussion with the policy proposer about their motivations and also discuss this with SMT and the Sabbatical Officers. The Director of Operations added that a proposal had previously been submitted regarding outsourcing and they had met with the policy proposer to discuss the reasons behind the Union's decision.

The Committee asked why the UCL East Convenience Store is not performing very well. The Director of Operations outlined various reasons including the location of the store, the inability to put up signage outside and the footfall at UCL East which is a lot lower than anticipated due to remote working and more students studying at the Bloomsbury Campus.

The Director of Operations noted that this document is a live document and is constantly being updated. It is also regularly reviewed by the Leadership Team and Senior Management Team and also goes to the Board of Trustees. The Committee discussed the clarity of ownership around the risks.

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 currently being worked on):

- 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.

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

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

RESOLVED

8. Health & Safety Report (Quarter 1)

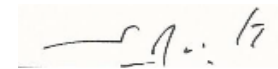
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9. Management Accounts (end of year 2022-23)

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10. Any Other Business

There was none.

Minutes approved as a true and accurate record	
Chair:	Ben Booth
Signature:	
Date:	11 December 2024