

<b>Committee(s)</b>	<b>Dated:</b>
Audit & Risk Committee of the Guildhall School of Music & Drama – for endorsement to the Board	07/09/2021
Finance & Resources Committee of the Guildhall School of Music & Drama – to note	08/09/2021
Board of Governors of the Guildhall School of Music and Drama – for approval	20/09/2021
<b>Subject: Annual Financial Return to the Office for Students</b>	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	<b>N/A</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>£</b>
<b>What is the source of Funding?</b>	
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	<b>Y/N</b>
<b>Report of: the Principal</b>	<b>For Decision</b>
<b>Report author: Group Accountant</b>	

### Summary

The School is required to submit an Annual Financial Return to the Office for Students (OfS) each year. It is a requirement of the OfS that the documents that make up the return are approved by a committee of the Governing Board prior to submission. The deadline for submission this year is six months from the year-end date, meaning the return must be filed by 30 September 2021. We then have a further month if needed to respond to any queries raised by the OfS regarding our submission..

### Recommendation(s)

The Audit & Risk Committee are asked to recommend the return for approval by the Governing Board. The Finance & Resources Committee are asked to note the contents of this report. The Governing Board are asked to approve the return and related supporting documents as set out in the appendices, and to authorise the Group Accountant to submit the documents to the Office for Students in accordance with the filing requirements.

## **Main Report**

### **Background**

The School is required to submit an Annual Financial Return to the Office for Students (OfS) each year. It is a requirement of the OfS that the documents that make up the return are approved by a committee of the Governing Board prior to submission. The deadline for submission this year is six months from the year-end date, meaning the return must be filed by 30 September 2021. We then have a further month if needed to respond to any queries raised by the OfS regarding our submission..

### **Current Position**

For the period ended 31 March 2021 the documents that the School must submit as part of the Annual financial Return are:

- Signed & audited Financial Statements for the eight months ended 31 March 2021 (Appendix 1)
- The management letter from the External Auditors regarding the Financial Statements (Appendix 2, to follow)
- An annual Financial Return setting out the School's results for the last two years and forecasts for the following five years (Appendix 3); and
- A commentary covering the main year on year variances in the forecasts (Appendix 4)

Members should note that while the Financial Statements are prepared in accordance with the Higher Education SORP, the School's status as a department of the City of London means that we are exempted from the requirement to produce a Balance Sheet and Cash Flow statement. The financial statements therefore do not include either table and some notes that would normally appear in a set of financial statements (such as Fixed Assets, Investments, Assets and Liabilities) are also missing from the financial statements.

Those same elements are left out of the Annual Financial Return despite the template including the tables to be completed for them. This has resulted in validation errors that will be resolved at the time of submission.

At the time of writing the external auditors have not yet issued their management letter. The financial statements included at appendix one should therefore still be considered to be in draft form.

### **Conclusion**

Members of the Audit & Risk Committee are asked to recommend the return and its appendices to the governing Board for approval. Members of the Governing Board are asked to approve the appendices to this paper and authorise the Group Accountant to file them with the Office for Students in accordance with the OfS' filing requirements.

**Report author**  
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Group Accountant

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