

<p><b>Committee(s):</b>  Audit &amp; Risk Committee of the Guildhall School of Music &amp; Drama  Finance &amp; Resources Committee of the Guildhall School of Music &amp; Drama  Board of Governors of the Guildhall School of Music &amp; Drama</p>	<p><b>Date(s):</b>  3 November 2014  4 November 2014  17 November 2014</p>
<p><b>Subject:</b> HEFCE Annual Accountability Return 2014</p>	<p><b>Public</b></p>
<p><b>Report of:</b>  Chief Operating and Financial Officer</p>	<p><b>For Information</b></p>

**SUMMARY**

1. As part of its statutory requirements to the Higher Education Funding Council (HEFCE), the School is required to submit a series of annual accountability returns. The accountability returns (previously referred to as the ‘single conversation’) form a significant way in which higher education institutions (HEIs) can demonstrate accountability for the public funds distributed to them.
2. The accountability returns enable HEFCE to reassess HEIs’ overall risk assessments and to ensure that HEIs are meeting their accountability responsibilities. The various returns cover corporate strategy, financial performance, financial sustainability, risk management, control and governance, value for money, and the management and quality assurance of data.
3. 2014 Annual Accountability Returns due for submission to HEFCE by 1<sup>st</sup> December comprise the following documents:
  - Annual Assurance Return – signed by the accountable officer (for the School, the Principal)
  - Signed audited financial statements
  - Completed financial results and forecast tables (Submitted to HEFCE in July 2014)
  - Financial commentary (Submitted to HEFCE in July 2014)
  - Audit Committee Annual Report
  - External Audit Management Letter
  - Internal Audit Report
4. The process for reviewing and approving documents, prior to submission to HEFCE, is outlined in the table below:

<b>Item</b>	<b>Committee/Board</b>	<b>Action required</b>
Annual Assurance Return*	Board of Governors	For information
<b>Accounts Direction</b>	<b>Audit Committee</b> Finance & Resources Committee Board of Governors	For information
<b>Audited financial statements</b>	<b>Audit Committee (draft)</b> Finance & Resources Committee (draft) Board of Governors (signed)	For information For information For approval
<b>Audit Committee Annual Report**</b>	<b>Audit Committee</b> Board of Governors	For approval For approval
<b>Internal Audit Report**</b>	<b>Audit Committee</b>  Board of Governors	For information  For approval
<b>Economy, Efficiency &amp; Effectiveness</b>	<b>Audit Committee</b> Finance & Resources Committee Board of Governors	For information For information For approval

\*Items not requiring submission to Audit Committee

\*\*Items not requiring submission to Finance & Resources Committee

### **Recommendations**

I recommend that the Committees and Board:

- i. Note the contents of this report in relation to the 2014 Annual Accountability Return documents for consideration elsewhere on the agenda.

Contact:

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