

Point Blank Ltd  
Minutes of a Board Meeting  
Held by digital video conference on Tuesday 28<sup>th</sup> April at 10.45am

Present:-  
Mr Robert Cowan – Director & Chair of the Meeting  
Mr Peter Black - Non-Executive Director  
Dr Andrew Gower – Non- Executive Director  
Mr Keith Harris – Non- Executive Director  
Apologies – Mr Jules Brookes- Head of Provider & Director

The Chair of the Meeting (Rob) explained that Jules, the Head of Provider, was unable to attend due to being on compassionate leave following a family bereavement two days prior.

### **Report of the Audit and Value for Money Committee**

The Chair asked Peter, the Chair of the Audit and Value for Money Committee, to report on the Meeting held earlier in the day.

Peter then summarised the matters discussed as follows:-

### **Review of the Audited Financial Statements for the Year Ended 31/12/2019**

The External Auditors, PM+M Solutions for Business LLP completed their audit and had advised that they were happy to sign the unqualified audit report and have confirmed, in writing, that they have complied with the Ethical Standards for Auditors and that all threats to their independence have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that they would wish to draw to the company's attention and have confirmed that they are independent and able to express an objective opinion on the financial statements.

The Auditors have provided written comments on the areas of audit risk they identified and internal control matters noted during the audit. The matters raised by the auditors were discussed and it was agreed that these had been addressed by the company.

After discussion, the members ratified the adoption of the Audited Financial Statements for signature by two members of the Board.

The committee also approved the submission of the Audited Financial Statements to the Office for Students and advised that the company should ensure that they are uploaded to the company website within the next two weeks.

### **Re Appointment of External Auditor**

The committee reviewed the conduct of the Audit and agreed that PM+M had demonstrated their knowledge and expertise in the field of Higher Education. It was agreed to recommend to the Board that they be re-appointed (subject to fee agreement) as external auditor for the year ending 31<sup>st</sup> December 2020.

### **Appointment of External Independent Review of Internal Audit Procedures**

The committee discussed the current arrangements whereby the company had carried out a review of its internal control procedures during 2019. This review did identify areas of weakness regarding the student invoicing administration system, particularly regarding the generation of credit notes and the need for tighter controls over the withdrawal of non-paying students.

The committee agreed that an external independent review of internal audit procedures be instigated and that a tender document be produced with a view to obtaining two quotations from providers experienced in this field.

### **Other Matters**

Peter advised the Board that the Audit Committee had discussed the risk factors associated with the current Covid-19 pandemic relating to both Students and Staff together with the financial implications on the Company. A revised budget for 2020 had been presented to the Audit Committee and adopted by its members.

Rob advised that in view of the seriousness of this emergency the Board would review the emergency planning

implemented by the company as result of the National Lockdown later in the meeting. He thanked the members of the Audit Committee for the work they had done.

## **Resolutions**

Rob proposed:-

1. That following the recommendation of the Audit Committee, the Company approve the Audited Financial Statements for the year ended 31<sup>st</sup> December 2019. This was agreed unanimously.
2. That PM+M Solutions for Business LLP be re-appointed (subject to fee agreement) as the Company Auditor for the financial year 2020. This was agreed unanimously.
3. That the Company appoint an external consultant to report on the internal audit and control procedures as soon as the current emergency will allow. This was agreed unanimously.

## **Effect of the Covid-19 Emergency and Future Impact on the College**

Rob advised that in the light of the Covid-19 emergency, the Head of Provider had taken the decision to suspend all face to face teaching on 18<sup>th</sup> March 2020. On behalf of Jules as Head of Provider, Rob gave a detailed update on the School's response to the emergency in support of students and achievement of their programmes of study, as follows:

## **Support for Students**

After consultation with Student Representatives, Middlesex University and the OfS, the School quickly moved to provide continuing approved course delivery by online classes and remote learning. The School took all appropriate steps to ensure that the associated risks of distance learning were identified and communicated to the students. Students have been provided with the opportunity to "opt out" at any time to temporarily interrupt their studies or defer their courses in the event of them being unhappy with the online provision. Alternative arrangements and assessments were put in place for face-to-face assessment and coursework requiring access to specialist facilities where possible, and the assessment of components where this was not possible was deferred to July. The return to face-to-face tuition will be subject to meeting future, as yet unknown, requirements for safeguarding and social distancing. This was conveyed via email, with written supporting communications on the website, VLE and via Student Services, transparently outlining the closure and options with signposting to support via Student Services. For this purpose, we developed a series of Coronavirus-specific crisis communications.

Students have guidance on our online COVID-19 remote learning guidelines that clearly states they must have suitable resources at home to take part in any online classes planned and will need a computer and software relevant to the module they are studying. Almost all of our students will already have the software and equipment required to study with us. We also took lengths to communicate the availability of free trials for students who may need software.

Our Virtual Learning Environment (VLE) resources are extensive and will support students with communication, scheduling, assignments and all the course notes they need. Student services and personal 1-2-1 tuition/feedback sessions are taking place online or via telephone as scheduled, so students have personalised help with minimal disruption. All wellbeing student services (including counselling and online/telephone therapy) are accessible as normal. We have run extra online workshops, online engagement and wellbeing sessions to support our students and delivered a range of value-added 'virtual student events', remote industry masterclasses and wellbeing events. Using social media to keep student and prospective students up-to-date and engaged with life at the School, we have set up Facebook groups for students to make it easier to keep in touch with us and each other (especially for international students). We have delivered care packages to vulnerable students (strictly following social distancing procedures). Also in this regard, we have set up flexible financial arrangements with students currently under increased hardship. Additional measures and offers have been arranged by the School to compensate for loss of studio time in the form of extra tuition, learning pathways and services available.

There were a number of modules that we couldn't teach or assess remotely in time for the April Term. Students who were due to be assessed for these modules this term/April term, have been deferred to the July term. We are working hard to make amendments or alternative assessments/teaching (with the consultation of affected students) to run these modules in July. However, students unable to study in the Summer term will therefore need to take the module in the September term or later, and possibly progress levels with a credit deficit in their level transition. We are making students who opt to take the module in September or later aware of the increased academic workload, risks and/or extension of their studies. All amendments will be approved by Middlesex University, affected students and external examiners. They will also be communicated and confirmed with affected students at least two weeks before the July term in time for them to opt-out if they wish.

Our Assessments Team have ensured through careful moderation of assessment so that all students have been fairly marked and no student has been failed inappropriately during the disrupted period. Grades, including originally failed modules, have been adjusted through moderation, proving that the system has worked. We have

communicated with all students where necessary and the School is confident it has operated without detriment to any student.

A significant number of extensions were requested due to COVID-19 and approved where appropriate during the affected January term assessment period. No “blanket” policy was enforced due to the closed term structure, however all extensions were approved where requested due to COVID-19 disruptions. A slightly higher number of appeals have also been received than normal, which have been reviewed.

### **Support for Staff**

The School consulted with their external HR advisors to ensure that all staff working from home are aware of the need to ensure that they are working responsibly, consider the health and safety requirements in terms of use of equipment and taking regular breaks. A series of Coronavirus-specific crisis communications (emails / webpage / VLE) were developed and deployed. A range of regular wellbeing and social events for staff is available along with counselling and other support services on demand as necessary.

Where necessary, computer equipment has been provided by the company for use at home. We employed a range of technologies to enable remote working and provided training to staff. The School has also provided appropriate furniture where requested for ergonomical working at home.

Senior Management is speaking regularly with their staff members to ensure wellbeing, arranging teleconferencing with each department in turn. At these meetings, staff members are able to share their thoughts and concerns and problems are solved in this manner whenever possible.

### **Other Regulatory Matters**

The School has adhered to the moratorium on unconditional offers and will do so until it is lifted. We have adhered to the new guidance released for Tier 4 study in relation to COVID-19 and will do so until further notice. (Note of the new guidance applicable from 17<sup>th</sup> April).

The Board thanked the Head of Provider and the PB team for all their work in support of students at this challenging time.

## **Financial Implications of Covid-19**

### **Refunds**

All terms and conditions have been subject to the “fairness test” and have been reviewed by legal counsel. We have ensured that we have used clear and unambiguous terms and taken great lengths to ensure online delivery is equivalent to the on-campus teaching and learning experience, and with as little disruption as possible.

### **Revised Budget and Cash Flow Forecast for 2020**

The Board had previously approved the Budget and Cash Flow forecast for 2020.

In the light of this emergency the company has undertaken a review and produced a revised Budget, based upon the current take-up of the distance learning modules by students starting the April term and bookings and cancellations as at mid-April for future courses.

The Board acknowledges the work that the School is doing to maximise student retention into the next academic year and will monitor the situation going forward.

The Board reviewed the revised budget and has identified the risk factors associated.

It was agreed that the reduced level of course fee income was sustainable provided that the School could return to some degree of face-to-face learning by September 2020. It was agreed that whilst no government guidance has been issued as yet to education providers, it is likely that some form of face-to-face tuition will be possible in the foreseeable future.

On that basis, the Board approved the revised budget with the proviso that it should be revisited and if necessary, amended, as and when further information becomes available.

### **Liquidity**

The Board are satisfied that, based on the revised budget, the company has sufficient liquidity to meet its commitments to both students and staff from its current resources for the foreseeable future. The Board acknowledged that Government Financial Assistance is available in the form of the Business Interruption Loan Schemes and the COVID-19 Corporate Financing Facility but agreed that there is no need to consider applying for such assistance in the foreseeable future.

### **Coronavirus Job Retention Scheme (Furlough)**

The School has taken part in the CJRS as HE providers are eligible. The Company has taken care to not duplicate other sources of public funding received in accounting, including UK Home Student tuition fees, whilst the School is in receipt of any grant from the CJRS. The School has carefully evidenced any rationale for CJRS application and reviewed all CJRS cases for accounting, internal and external audit purposes.

### **Expansion of School Facilities**

The School had been working on plans to significantly expand the School premises to a further two floors of the current Penn Street site. Agreement has been reached with the landlord and the company are in the process of obtaining planning consent. The current Covid-19 emergency means that this project has been placed on hold. The School had intended to proceed with a major refurbishment of the new floors to provide students with the latest technology and an improved working environment. The School intended to invest £3M in this project, to be funded from cashflow, starting in Summer 2020 and completing by March 2021.

The Board decided to delay making any formal commitment to this expansion until such time as the financial impact of the Covid-19 pandemic can be more fully assessed.

In the light of the revised budget it was agreed that the School may need to seek additional finance in order to deliver this project assuming that work could commence in early 2021.

### **Dividend**

The company has a policy of paying monthly dividends to the Holding Company. These dividends have been included in the revised budget and cashflow for the year ended 31st December 2020 and need to be authorised by the Board for payment monthly for the nine months to 31<sup>st</sup> December 2020.

Rob as Chair proposed that a monthly dividend [REDACTED] be paid each month from 29<sup>th</sup> April 2020 until 24<sup>th</sup> December 2020. This was agreed unanimously.

There being no further business the meeting ended at 12.20pm



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R A Cowan Director and Chair of the Meeting