

Company No 04551096
Confirmed

**Istituto Marangoni Limited
 Board of Directors Minutes**

04/5/2021 – 16.00-17.00(UK), 16.00-17.00(IT) via videolink

Members	Ms Stefania Valenti	Director and Managing Director Istituto Maragnoni (Chair)
	Ms Charlotte Gorse	Director and London School Director (Vice Chair)
	Prof Mark Hunt	Non-Executive Director IM Ltd
	Prof David Vaughan	Non-Executive Director IM Ltd
	Mr Salvatore Sivari	Group Head of Finance and Company Secretary

Attendees:	Ms Diane Rainsbury Mrs Ilenya Antonacci	London School Registrar and designated minute taker London School Finance Manager
-------------------	--	--

	<p>1. Welcome and purpose of the meeting The Chair noted that the meeting had been convened in accordance with the Articles of Association of the Company and due notice of the meeting had been given. A quorum was present and the Chair declared the meeting open.</p> <p>2. Declarations of interest In accordance with the requirements of section 177 or section 182 of the Companies Act 2006 and the Company's Articles of Association, each of the Directors confirmed they had no direct or indirect interest they were required to disclose. Accordingly, the Chairman noted that no director was disqualified from voting at the meeting or constituting a quorum for the meeting.</p> <p>3. Minutes of the previous meetings held on 25 and 22 February 2021 The minutes of the previous meetings held on 22 and 25 February were confirmed as an accurate record.</p> <p>4. Matters arising and completed actions from the previous meetings</p> <p>4.1 The Board received and discussed a report of the following matters arising and completed actions from the previous meeting.</p> <p>BoD21/4 The review of the Scheme of Delegation and Terms of Reference continued to be in progress and the Group would report to the Board's June meeting. A further meeting would be organised as a priority within the next two weeks. ACTION</p> <p>BoD20/4&21/4 The School Director confirmed that the search, nomination and appointment process for the NED vacancy remained pending and would be prioritised as soon as possible.</p> <p>BoD/20 The issue relating to the management letter had been followed up with EY to conclude the financial return. ACTION</p> <p>BoD/21/4/20/4&9.1 The updating of the Persons with Significant Control remained pending the School Director explaining that this</p>
--	--

was due to the need for better clarity from the School's legal advisors.

BoD/20/6&21/4 BDO was advising on the cash pooling arrangement in terms of the School's regulatory and reporting responsibilities. In the meantime, the Group Finance Director advised that the London School would retain a minimum cash balance of at least £1 million in recognition of its specific regulatory and operational context.

ACTION

BoD/215.3 The TDAP briefing event would be prioritised as a matter of urgency and would complement other briefing activities that had already been progressed as part of the financial cost benefit analysis. In the meantime, the School Director and Registrar were continuing with the detailed negotiations with Manchester Metropolitan University (MMU). The NED's offered their assistance if there was a need to reach out to MMU's executive team on any specific areas following up a prior invitation to them both from MMU. The Board noted that the OfS moratorium for new applications remained in place as well as the outcome from the School's own management and governance audit.

BoD21/6.1 The School Director outlined the current status of the School's reopening based on the latest government guidance including the implementation of face to face teaching and recovery plans.

ACTION

BoD/20/7 The new Company Bank Account had been opened and all necessary actions complete.

BoD/205.1 The OfS Workbook and financial return had been submitted by the required deadlines and no post-submission queries had been raised by the OfS.

5. External Audit and draft resolutions

5.1 The School Director presented on the appointments process and the Company's legal obligations when appointing external auditors. The Board of Directors would determine the appointment by way of Ordinary resolution based on the recommendation of the Audit Committee. A draft resolution had been circulated for information at this stage and would be finalised for formal presentation to the Board in due course. Deloitte had been identified as a potential alternative for the School(s). The Board further noted that Deloitte was considered to be a good fit for the School in terms of its collaborative approach and its specific audit expertise in relation to UK higher education.

ACTION

5.2 The Board requested the Audit Committee convene an exceptional meeting to finalise its recommendations and report to the BoD

5.3 In compiling its report the Audit Committee would also incorporate the following:

- a review of the proposed audit fee against the market and proportion of overall Company income
- advise on the external auditors timetable
- recommend any areas of non-audit work to be undertaken, including likely fees
- the proposed period of office
- any relevant issues and risk factors in relation to the appointment or resignation of the external auditors.

ACTION

- 5.4 In the meantime, the Board authorised the continuing dialogue and relationship building between the IML Finance Manager, Group Head of Finance, Ernst and Young and Deloitte to facilitate an effective handover. The Group Head of Finance would also continue to liaise with his counterparts at GGE in recognition of the importance of EY's continuing role for the GGE Group. In so doing, the Board also recognised the importance of the continued involvement of the Audit Committee in terms of existing activity and as a direct channel of communication with the Lead Auditor. Deloitte would also be invited to make a presentation to the Audit Committee prior to a detailed planning meeting with the relevant managers.
- ACTION
- ACTION
6. **Any other business**
- 6.1 The School Director reported on the current student recruitment and sales position that had significantly improved over the last six weeks with strong recovery in the EU market that compared favourably with its competitors. Overall, the School remained behind target in the recruitment cycle which was attributed to the on-going impact of COVID-19 (particularly in specific markets such as India) and some residual Brexit impacts.
- 6.2 The Chair of the Audit Committee referred to the presentation from the Head of Sales at the last School Board and hence the confidence in the likelihood of reaching the required recruitment targets. The Board was agreed on the usefulness of a more detailed presentation being made to the next meeting of the Board of Governors.
- ACTION
7. **Date of next meeting**
29 June 2021

Signed
Chair

