

Group :	AUDIT COMMITTEE	Date:	08/06/2010
Location:	CONFERENCE ROOM, SSFC	Time:	5.30 pm
Attendees:	The Principal Assistant Principal – Resources Assistant Principal, Student Support (part) Sandra Welsh – RSM Tenon (Internal Auditor) Kyla Bellingall – Grant Thornton (External Auditors)	Apologies:	Karen Burgoyne
Membership:	Chris Fountain (Chair), Adrian Bayling, Chris Kalinowski (co-opted), Geoff Parry, Karen Burgoyne		

32. **Declarations of Interest**

There were no declarations of interest

Minutes – 9 March 2010

33. **Resolved:**

That the minutes of the meeting of the Audit Committee held on 9 March 2010 be approved as a correct record.

Matters Arising:

34. **Internal Audit Report – Equality and Diversity (Resolution 27 b)**

Pursuant to Resolution 27 (b), the Internal Auditor confirmed that the classification of the Equality and Diversity audit under “assurance” would not have a negative effect when fed into the Annual Audit Report.

Top Risks and Risk Policy/Procedure (Appendix 20/10)

The Assistant Principal, Student Support, submitted a report on the May 2010 Update of the Risk Register together with the Risk Management Policy and Risk Management Procedure.

The Assistant Principal, Student Support, reminded the Committee that the risk register related to the current academic year only.

The Risk Group would meet before the end of the term to set up the 2010/11 register. In particular,

the group would discuss and rate the risks relating to the potential impact from Shropshire schools applying to be academies and becoming independent.

35. Resolved:

(a) That the Risk Register, updated to May 2010, be noted.

(b) That, in respect of the top risks, the following be noted:

- **8.1 - Disruption to work due to loss of operational IT facilities-** There was an on-going approach to the upgrade of facilities which would be carried out on a termly basis. The relocation of the server room would take place in the summer and, to ensure back-up and security, the new system would run parallel with the old whilst being installed.. The planned programme would result in this item becoming a reduced risk.

(c) That the actions being taken to mitigate current risks be noted

(d) That the Risk Management Policy and Risk Management Procedure be noted.

Internal Audit Reports (Appendix 21/10)

The Internal Auditor submitted reports as follows:

(i) **HR Equality and Diversity** - Final report – The Internal Auditor advised on the positive response to all recommendations

(ii) **Procurement and Payments – Procurement Cards** – Substantial Assurance given. The Internal Auditor commented that she was impressed at the high number of procurement cards being widely used. In response to a Governor' s query, the Assistant Principal, Resources, advised on training packs and advice given to those staff using the cards to ensure they was no mis-use and that they had indemnity cover.

(iii) **Quality Systems – Compliance with the Quality Cycle** – Substantial Assurance given. No recommendations made

(iv) **Follow Up – Risk Maturity** – Good progress with two recommendations which had since been actioned

(v) **Follow Up of Previous Internal Audit Recommendations** – 11 recommendations had been made,9 had been fully acted on, 1 superseded and one partially acted on. Good progress had therefore been made.

(vi) **Internal Audit Progress Report** - Appendix A to the report indicated good progress on all audits. The report on Performance Management would be submitted to the November meeting.

(vi) **Strategy for Internal Audit 2010/11** – submitted for approval.

36. Resolved:

(a) That the Internal Audit reports be noted.

(b) That the Strategy for Internal Audit 2010/11 be approved.

Audit Recommendation Tracking Report (Appendix 22/10)

The Assistant Principal, Resources submitted a tracking report on current internal audit recommendations.

The Principal referred to Recommendation 2 regarding course dates and advised that the Assistant Principal, Information Services was reviewing a new system to put actual course start dates on the ILR.

The Assistant Principal advised that good progress had been made in response to the recommendations.

37. **Resolved:**

That the updated tracking report for current internal audit recommendations be noted.

External Audit Report – Audit Approach Memorandum (Appendix 23/10)

The External Auditor submitted a report setting out the Audit Approach Memorandum for the College for the year ending 31 July 2010. It was noted that full reporting under the new International Financial Reporting Standards (IFRS) was not likely to be required before 2012 at the earliest.

38. **Resolved:**

That the Audit Approach Memorandum be noted.

39. **Irregularity and Fraud**

There were no matters of irregularity or fraud to report.

40. **Risk**

There were no new items of risk

41. **Date of Next Meeting** – Tuesday, 16 November 2010 at 5.30 pm (provisional)