

<b>Group :</b>	AUDIT COMMITTEE	<b>Date:</b>	16/11/2010
<b>Location:</b>	CONFERENCE ROOM, SSFC	<b>Time:</b>	5.30 PM
<b>Attendees:</b>	The Principal Assistant Principal – Resources and Risk K. Bellingall – Grant Thornton (External Auditor) L. Tweedie – RSM Tenon (Internal Auditor) Clerk to the Corporation	<b>Apologies:</b>	Geoff Parry
<b>Membership:</b>	Adrian Bayling, Karen Burgoyne, Chris Fountain, Chris Kalinowski, Geoff Parry		

## Election of Chair

1. Resolved:

That Chris Fountain be elected Chair of the Audit Committee for the 2010/11 academic year.

CHRIS FOUNTAIN IN THE CHAIR

2. **Declarations of Interest**

There were no declarations of interest

## Minutes

3. Resolved:

That the minutes of the meeting of the Audit Committee held on 8 June 2010 be approved as a correct record.

4. **Matters Arising**

There were no matters arising.

5. **Annual Timetable of Standard Business for the Audit Committee 2010/11** (Appendix 1/10)

The Annual timetable of business for the Audit Committee 2010/11 was submitted for information.

## Internal Audit

- (a) **Organisational Performance Management – Thematic Review** (Appendix 2/10)

The Internal Auditor submitted the results of the audit on Organisational Performance Management - Thematic Review. She advised that there were no areas of concern but stated that the college should review the requirements of Ofsted in respect of Safeguarding to ensure that it is in line with what is required to achieve 'Outstanding'.

RHC

6. Resolved:

That the report of the Internal Auditor and advice in respect of safeguarding, be noted.

(b) **Annual Internal Audit Report** (Appendix 3/10)

The Internal Auditor submitted the Annual Internal Audit Report which concluded that the College had adequate and effective arrangements in respect of Governance, Risk Management and Control and had maintained its 'substantial' progress. The results of the annual audit would be compared with approximately 230 other colleges.

7. Resolved:

That the Annual Internal Audit Report be noted.

## **External Audit**

### **Report and Financial Statements for the year ended 31 July 2010 and Key Issues Memorandum** (Appendix 4/10)

The External Auditor submitted the Report and Financial Statements for the year ended 31 July together with the Key Issues Memorandum for the year ended 31 July 2010.

She advised that there were no matters of concern with no negatives to report. Reference was made to minor corrections which would be made to the final report for accuracy.

8. Resolved:

That the Report and Financial Statements for the year ended 31 July 2010 and Key Issues Memorandum be noted.

### **Audit Recommendations Tracking Report** (Appendix 5/10)

The Assistant Principal, Resources and Risk, submitted an updated tracking report for the most recent internal audit recommendations. She advised that one recommendation which had not been accepted, relating to giving consideration to adding a selection of vicarious liability in the Code of Conduct Policy would now be considered at the next Personnel Committee meeting. All other recommendations had been acted on or on target to be met.

JDS

9. Resolved:

That the Audit Recommendation Tracking Report be noted.

## **Financial Management and Control Evaluation (FMCE) (Appendix 6/10)**

The Assistant Principal, Resources and Risk, submitted a report on the updated Financial Management and Control Evaluation (FMCE) document for 2009/10 which had been reviewed and graded by the Senior Leadership Team. The Audit Committee were asked to take a view on the overall grade for the self-assessment of the College. In response to questions by Governors, the Principal and Assistant Principal advised on areas where improvements had been made since the previous grading of 'Good', in particular tightening up the link between strategy and finance.

10. Resolved:

That the Financial Management and Control Evaluation of the College be self-assessed as 'outstanding'.

## **Annual Value for Money Report 2009/10 (Appendix 7/10)**

The Assistant Principal, Resources and Risk, submitted the Annual Value for Money report 2009/10 together with the Value for Money Policy and Value for Money Procurement Strategy. She highlighted the main areas to be evaluated in 2010/11 as follows:

- Review of Continuous Professional Development monitoring system to try to streamline the process
- Setting up a new system for processing the monthly payroll runs in-house
- Review of IT services and facilities to increase usage efficiency

11. Resolved:

- (a) That the Annual Value for Money report 2009/10 be noted
- (b) That the Value for Money Policy and Value For Money Procurement Strategy be approved

## **Annual Risk Management Report (Appendix 8/10)**

The Assistant Principal, Resources and Risk, submitted the Risk Management Group's annual report which included a review of the College's risk profile and top risks managed by the Senior Leadership Team, together with the 2010/11 Risk Register.

With reference to the 2010/11 Risk Register, a Governor asked for further details on overcrowding at the Whitehouse. The Principal advised that at certain times of the day, more supervision was needed to monitor numbers and/or behaviour and that the Senior Leadership Team were currently looking at staffing options to cover periods when the Whitehouse had large volumes of students.

In response to the Chair's query regarding the payroll, the Assistant Principal confirmed that the implementation of the new in-house system was on target.

12. Resolved:

- (a) That the Annual Risk Management Report be noted
- (b) That the 2010/11 Risk Register be approved.

13. **Irregularity and Fraud**

There were no issues of irregularity and fraud

14. **Risk**

There were no items of risk arising from the meeting.

**Audit Committee Annual Report to the Board (Appendix 9/10)**

The Chair submitted his Audit Committee Annual Report for 2009/10 covering the year to 31 July 2010.

15. Resolved:

That the report be agreed and referred to the Board for approval.

JJ

16. **Performance Indicators for Auditors (Appendix 10/10)**

Following consultation with the Committee, the Chair and Assistant Principal, Resources and Risk completed the performance indicators for the internal and external auditors.

17. **Date of Next Meeting** – Tuesday, 8 March 2011 at 5.30 pm.

Signed:.....(Chair) Date: .....