

SOUTH CHESHIRE COLLEGE

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD AT EDLESTON ROAD ON THURSDAY 4 MARCH 2010 AT 6.20 PM

Present:

R Jones (Chair)
J Atkinson
C Blanchard
K Newbould
S Yates

In Attendance:

G Bebbington (Director of Finance and Administration) (until the point shown, returning as shown)
J Dowell (Deputy Director of Finance) (until the point as shown, returning as shown)
L Randall (RSM Tenon, Internal Auditors) (until the point shown)
E Davies-Jones (Clerk to the Corporation)

The Clerk advised that the meeting was quorate.

The Chair, with the consent of other members, agreed to commence the meeting ten minutes prior to the scheduled time of 6.30pm.

The Chair welcomed Kate Newbould and Jeff Atkinson to their first meeting as members of the Audit Committee.

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01/10 APOLOGIES FOR ABSENCE

There were no apologies for absence.

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02/10 DECLARATIONS OF INTEREST

At this point in the meeting the Chair asked the members attending this meeting to declare any personal or prejudicial interests and the nature of that interest, in any item of business on the agenda and, if necessary, to leave the meeting prior to discussion of that item. No declarations of interest were made.

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03/10 MINUTES OF THE LAST MEETING AND MATTERS ARISING

The minutes of the meeting held on 30 November 2009 were considered and ***IT WAS RESOLVED that they be approved as a true and accurate record and signed by the Chair.***

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04/10 RISK MANAGEMENT

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04/01/10 RISK REGISTER

Members considered the risk register incorporating the updating comments. Members were informed that the Risk Register has been amended to include the risk : " Safeguarding: the college may fail to comply with its statutory duties" and that an external trainer would be attending the Corporation meeting on 25 March 2010 to lead a training session on "Safeguarding" for members of the Corporation and the College's senior management team.

Members were also informed that the Director of Finance and Administration is now leading a working group which has been set up for the purpose of developing a new style of risk register which will be more directly linked to the College's strategic aims and operations and that the outcomes from the working group will be reported to a future meeting in due course.

IT WAS RESOLVED to note the current position in respect of management of the risks in the risk register 2009/10 and advise the Corporation accordingly

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04/02/10 RISK APPETITE STATEMENT

The Director of Finance and Administration presented the paper informing members that the College's internal auditors, RSM Tenon, have recommended that the College includes a definition of its risk appetite within the College's Risk Management Plan and Policy. The Director of Finance and Administration presented a draft statement and sought members' views as to the content thereof.

Members discussed the matter and agreed that the Director of Finance and Administration should include the risk appetite statement within the matters to be considered by the working group referred to above (Min No.: A 04/01/10) and this would inform the content of the statement.

IT WAS RESOLVED to receive a further report and recommendations regarding the content of the draft Risk Appetite Statement at the next meeting of this Committee.

Action: GB

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05/10

INTERNAL AUDIT PROGRESS & ASSIGNMENT REPORTS

Lisa Randall informed members that one report for 2009/10 had been finalised since the last committee meeting. She went on to inform members of the work planned to be undertaken prior to the next meeting of this committee in June 2010.

She informed members that there were no issues arising from the work which would impact on the annual opinion. She went on to present the report, "Procurement – Equipment for the New Build" ,. She informed members that this report had resulted in three "Merits Attention" recommendations being made. There were no fundamental or significant recommendations arising from the report and the report confirmed that a Substantial Level of Assurance i.e. that the auditors had found a robust framework of controls in place ensuring objectives are likely to be achieved and that the controls are applied continuously or with minor lapses. The three recommendations had been accepted for implementation by management.

Lisa Randell went on to inform members that the joint Audit Code of Practice has been issued for consultation and that she would be meeting with the Director of Finance and Administration and his team to review the content of the draft document and that a report would be brought to the June meeting of the Audit Committee.

Lisa Randall then referred members to client briefings which had been provided by the internal auditors for members' information, namely:

- Further Education General Update;
- Framework for Excellence 2009.10;
- Organisational Performance Management; and
- Safeguarding Children.

IT WAS RESOLVED to receive the report.

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06/10

MONITORING OF OUTSTANDING RECOMMENDATIONS

Members were informed that, with regard to the recommendations outstanding following the last meeting of this committee, one recommendation has been implemented, two recommendations have not yet been implemented, and, following the resolution of the Audit Committee (ref: A42/09) the College has determined that four recommendations made within the Capital Projects Audit Report (08.2008/09) will not be implemented.

There were no recommendations made within the Financial Statements Auditors Management Letter dated 23 November 2009.

IT WAS RESOLVED to receive the report

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07/10 **TIMELY SUBMISSION OF FUNDING RETURNS TO LEARNING AND SKILLS COUNCIL**

Members received a report from the Director of Finance confirming that since the last meeting all the returns due had been submitted accurately and on time. Members were provided with a list of the 10 returns which had been made since 1 December 2009. The Director of Finance and Administration informed members that the College has introduced a new system of diarising the returns to assist the process of ensuring that all returns are submitted within the required period.

IT WAS RESOLVED to note the timely and accurate submission of the returns to the Learning and Skills Council.

The Director of Finance & Administration & the Deputy Director of Finance left the meeting at this point.

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08/10 **CONFIDENTIAL BUSINESS**

Lisa Randall confirmed that there were no circumstances which she wished to draw to the attention of the Committee in the absence of management. She informed members that the internal auditors have received full co-operation from College staff.

The Director of Finance & Administration & the Deputy Director of Finance rejoined the meeting at this point.

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09/10 DATE OF NEXT MEETING

Members noted that the date of the next meeting of the Audit Committee will be held as follows:

Thursday 17 June 2010 at 6.30pm
This meeting will be preceded by a training session commencing at 6pm

There being no further business, the meeting concluded at 7.05 pm.

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(Chair)

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