

STRATFORD-UPON-AVON COLLEGE CORPORATION

MINUTES OF AUDIT COMMITTEE MEETING TUESDAY 25 NOVEMBER 2008

Present:	Graham Crump	Chair
	Gill Roache	Governor
	Ian Lumley	Support Staff Governor
In attendance:	David Jackson	Clerk to the Corporation
	Norman MacDonald	Vice Principal – Finance
	Martin Penny	Principal (item 14.c only)
	Paul Oxtoby	Baker Tilly
	Paul Taylor	BDO Stoy Hayward
	Alex Patterson	Compliance Officer

1. APOLOGIES

Apologies were received from Gary Rollason and Kevin Bruerton.

2. DECLARATION OF INTEREST

Members were invited to declare any interest in business to be discussed at the meeting, following which the Chair ascertained from the Internal Auditors that there were no issues regarding the Vice Principals which would warrant their withdrawal from the meeting.

3. MINUTES OF THE PREVIOUS MEETING

It was resolved **THAT:**

The minutes of the meeting held on 16 September 2008 be regarded as correct and signed by the Committee Chair.

4. MATTERS ARISING

Item 1b - It was confirmed that the Search Committee was still looking for a replacement member for the Committee.

5. INTERNAL AUDIT REPORTS

There were no new Internal Audit Reports to consider.

6. INTERNAL AUDIT PROGRESS REPORTS

The Committee considered the BDO Stoy Hayward Internal Progress Report and, following discussion, it was confirmed that the additional costs relating to extra days had been built into the revised budget. The Committee noted that the dates quoted for the Key Financial Systems and Student Records review was likely to move to reflect operational needs.

It was resolved **THAT:**

The report be noted.

7. RISK MANAGEMENT REPORT AND ACTION PLAN

David Jackson presented to the Committee the current Risk Management Report and Action Plan which had been up-dated by the Executive Team and the variations highlighted.

Item 3 – Two areas of funding were risks; not only the lack of software for this year but the problem arising in 2010 with the demise of the LSC.

It was resolved **THAT:**

The Risk Management Report and Action Plan be recommended to the Corporation, subject to the amendment of item 3.

8. ANNUAL FINANCIAL STATEMENTS

Baker Tilly presented the report to the Committee, highlighting the main areas of activity considered during the audit and the emerging issues.

It was confirmed that the Regularity Audit would be 'clean' by Paul Oxoby.

There were some items under 'Uncertainties, risks, exposures, judgemental issues' that needed to be completed by the College before the report was issued. The Auditor was satisfied that the claw-back situation had been dealt with and shown appropriately in the accounts.

The Auditor confirmed that the David McLean position had now been resolved and cleared.

The Auditor confirmed that liquidity was unlikely to be a problem for the College.

It was resolved **THAT:**

The report be recommended to the Corporation from an audit perspective.

9. FINANCIAL STATEMENT AUDITORS' PERFORMANCE INDICATORS

The Committee was unable to consider the Performance Indicators of Baker Tilly as the accounts had not yet been signed off.

It was resolved **THAT:**

This item be put forward for the next meeting.

10. ANNUAL REPORT OF AUDIT COMMITTEE, INCLUDING RISK MANAGEMENT

Under its Terms of Reference, the Audit Committee is required to report annually to the Corporation; however, this cannot be completed until the College receives the Annual Report of the Financial Statement Auditors.

The draft Annual Report of the Audit Committee for 2007/08 was considered by the Committee and, subject to some minor alterations,

It was resolved **THAT:**

The Annual Report of the Audit Committee for 2007/08 be agreed in principle and submitted to the Corporation with authority for the Chair to agree the final document and sign it off.

11. FINANCIAL MANAGEMENT AND CONTROL EVALUATION (FMCE) LCS

The Committee was advised that the College was still working on this document and will be presented at the next meeting.

This year, the Committee will accept the signature of the Principal for submission of the document by 10 December 2008. It was agreed that, in future, this would be submitted to the Committee prior to this submission.

It was resolved **THAT:**

The report be completed and submitted at the next meeting for review.

12. ANNUAL REPORT ON AUDITS BY OTHER EXTERNAL AGENCIES

The LSC Audit of Work Based Learning Audit Report was considered by the Committee. The Committee found this disappointing as it reflected on the College. Whilst systems are being put in place, the Committee wishes to have confirmation of the progress by an up-date of the actions at the next meeting.

It was resolved **THAT:**

The report be noted and submitted to the Corporation.

13. IDENTIFICATION OF REPORTS TO FUTURE MEETINGS

No additional items, beyond those already identified in the meeting, were requested.

14. ANY OTHER BUSINESS

a) Thanks were given to Baker Tilly for sponsoring the College production of Les Miserables.

b) Baker Tilly confirmed to the Committee that the LSC will return to a risk based audit of management systems and data information for 2008/09 but the factors had not been advised yet. The Principal has a copy of the initial review letter from Baker Tilly.

CONFIDENTIAL MINUTE

14. c) The meeting was then joined by the Principal and the Committee was made aware that the Internal Auditor position had not been out for tender since 2003. After a full discussion, It was resolved **THAT:**
The Internal Auditor position for 2009/10 be put out to tender.

15. DATE OF NEXT MEETING

It was resolved **THAT:**
The Audit Committee meet again on **Tuesday 10 March 2009 at 10.00am.**

Meeting closed at 11.00am

Signed :(Committee Chair)