

# STRATFORD-UPON-AVON COLLEGE CORPORATION

## MINUTES OF AUDIT COMMITTEE MEETING TUESDAY 16 SEPTEMBER 2008

<b>Present:</b>	Gill Roache	Chair of Meeting
	Ian Lumley	Support Staff Governor
	Garry Rollason	Co-opted to Committee
<b>In attendance:</b>	David Jackson	Clerk to the Corporation
	Norman MacDonald	Vice Principal – Finance
	Kevin Bruerton	BDO Stoy Hayward
	Paul Oxtoby	Baker Tilly
	Alex Patterson	Compliance Officer
	Charlie Durnin	CIS Manager (item 1-4.3 only)

### 1. APOLOGIES / ATTENDANCE AT MEETING

- a) Apologies had been received from Graham Crump.
- b) Following the expiration of the term of office of Helen McCarthy, the Search Committee will be looking to identify a replacement at its meeting on 11 November 2008.

### 2. DECLARATION OF INTEREST

Members were invited to declare any interest in business to be discussed at the meeting for which there were none.  
It was ascertained from the Internal Auditors that there were no issues regarding the Vice Principals that would warrant their withdrawal from the meeting.

### 3. MINUTES OF THE PREVIOUS MEETING

It was resolved **THAT:**  
The minutes of the meeting held on 3 July 2008 be regarded as correct and signed by the Committee Chair.

### 4. MATTERS ARISING

#### 4.1 Item 5, Internal Audit Reports

The Key Financial Systems report that had been withdrawn at the last meeting was presented by BDO and reconsidered by the Committee following the addition of point 2.14 Best Practice. The Vice Principal - Finance confirmed that additional training of staff had been undertaken following this audit to ensure that all areas returned a GOOD assessment at the next audit.

It was resolved **THAT:**  
The report be discharged.

#### 4.2 Item 9, Internal Audit Engagement Letter - Encryption

Since the last meeting, the College and BDO had been in discussion and had agreed that password documents rather than encrypted documents between both organisations were more relevant and practical.

It was resolved **THAT:**  
The report be noted.

#### 4.3 Item 15, Internal Audit Follow Up report.

The CIS Manager confirmed the situation regarding Recommendation 2 of the Internal Follow-up Report where the management response was contradictory to the BDO comments. Following discussion with Kevin Bruerton, it was agreed that the Committee was satisfied with the response of the College.

It was resolved **THAT:**  
The report be noted.

#### 4.4 **Item 15, Identification of Reports to Future Meetings**

David Jackson talked to the Committee about Public Relations v Marketing as the Committee wanted to recognise what needed to be audited and how added value could be identified. Following the compilation of the audit programme, the Committee noted that this audit has been rescheduled for 2010/11 and indicated that the presentation was useful in improving its understanding which would be of value when the Marketing Audit was rescheduled.

It was resolved **THAT:**

The content of the Marketing Audit be reconsidered when the 2010/11 plan was approved.

#### 4.5 **Item 16, Internal Audit Performance Indicators 2007/08**

BDO and College representatives had met since the last meeting to consider the protocol for all future audits and subsequent reports, including an agreed timetable. Following consideration of the protocol,

It was resolved **THAT:**

The report be noted.

### 5. **INTERNAL AUDIT REPORTS - SBS**

The Internal Audit Report on SBS was presented by BDO and considered by the Committee. The Committee was concerned at the findings and felt that there were a number of issues needing to be addressed. The Committee was pleased to note that a further audit would take place within 12 months to ensure that the recommendations had been followed through by the management and the staff.

It was resolved **THAT:**

The Internal Audit report on SBS be noted.

### 6. **INTERNAL AUDIT OPERATIONAL PLAN FOR 2008/09**

The Committee considered a report on Internal Audit Needs Assessment, Strategic Plan and Annual Plan for 2008/09, prepared by BDO Stoy Hayward and based on the strategy discussed at the last meeting. In addition, BDO presented an Internal Audit Strategy Up-date confirming the changes to the areas of work. The Internal Auditor indicated that the number of audit days was 'sensible for a College of this size'. Following discussion,

It was resolved **THAT:**

The reports be noted

### 7. **INTERNAL AUDIT ANNUAL REPORT**

The Internal Audit Service Annual Report, prepared by BDO Stoy Hayward, was discussed by the Committee. It was noted that there was an increased number of reports this year and the Committee discussed the reasons behind this with the Vice Principal – Finance who indicated that it was his wish for this to return to the previous level in 2008/09.

It was resolved **THAT:**

The Internal Audit Annual report be recommended to the Corporation.

### 8. **RISK MANAGEMENT REPORT AND ACTION PLAN**

The Committee considered the current Risk Management Report and Action Plan that had been up-dated by the Executive Team on 3 September 2008.

Point 10 - The Committee received confirmation that the main Partnership Agreements were with SBS and that contracts were being drawn up with the Solicitors.

Point 11 – Kevin Bruerton confirmed that this was in line with other colleges and the College was seeking to confirm the action and training it was undertaking.

Point 18 - The Clerk to the Corporation put forward the rationale for increasing the risk score in this area, indicating the College had lost a number of Governors recently and was recruiting replacements.

Point 19 – The Clerk to the Corporation confirmed that this was replacing the prompt on the last report.

Point 23 – The Vice Principal - Finance confirmed that a new Diploma would start next September.

It was resolved **THAT:**  
The Risk Management Report and Action Plan be recommended to the Corporation.

**9. AUDIT COMMITTEE SELF-ASSESSMENT CHECK LIST**

The Committee completed the Self-Assessment Checklist which showed that the Committee was effective. The Clerk to the Corporation acknowledged the support given by Garry Rollason in this matter.

It was resolved **THAT:**  
The completed Self-Assessment Checklist be reviewed in 12 months time.

**10. IDENTIFICATION OF REPORTS TO FUTURE MEETINGS**

It was resolved **THAT:**  
Other than matters arising, no additional reports were identified.

**11. ANY OTHER BUSINESS**

There was no other business.

**12. DATE OF NEXT MEETING**

It was resolved **THAT:**  
The Audit Committee meet again on **Tuesday 25 November 2008 at 10.00am.**

Signed : .....(Committee Chair)