

STRATFORD-UPON-AVON COLLEGE CORPORATION

DRAFT MINUTES OF AUDIT COMMITTEE MEETING TUESDAY 17 NOVEMBER 2009

Present:	Geoff Thompson	Chair
	Royston Hollyer	Support Staff Governor
In attendance:	David Jackson	Clerk to the Corporation / Vice Principal - Resources
	Charles Anderson	Deputy Principal
	Paul Oxtoby	Baker Tilly
	Patrick Green	RSM Bentley Jennison
	Alex Patterson	Compliance Officer

1. APOLOGIES

- a) Apologies were received from Norman MacDonald, Gill Roache and Gary Rollason.
- b) It was noted that Royston Hollyer had not been formally appointed as Support Staff Governor following his election. The intention of the Search Committee was that he would be appointed to the Audit Committee. It was agreed that the meeting would go ahead but the matter would be drawn to the attention of the Corporation.

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 Principal – Resources that would warrant his withdrawal from the meeting.

3. MINUTES OF THE PREVIOUS MEETING

It was resolved **THAT:**

The minutes of the meeting held on 10 September 2009 be regarded as correct and signed by the Committee Chair.

4. MATTERS ARISING

There were no matters arising that were not dealt with elsewhere on the agenda as substantive items.

5. INTERNAL AUDIT FOLLOW-UP REPORTS

The RSM Bentley Jennison Lecturer Utilisation Internal Audit Follow-up Report was presented by Patrick Green and considered by the Committee who were pleased at the progress made.

It was resolved **THAT:**

The Committee expressed pleasure at the effort made by the College to respond to the report and noted that further follow-up work will be undertaken towards the end of the current financial year.

6. INTERNAL AUDIT PROGRAMME 2009/10

The Committee reviewed the RSM Bentley Jennison Internal Audit programme for 2009/10 covering:

Lecturer Utilisation	15-16 October 2009
Financial Support for Students	15-19 February 2010
Key Financial Controls	15-19 February 2010
Compliance with the new Funding Methodology	15-19 February 2010
Train To Gain	7-11 June 2010
Performance Management Thematic Review	7-11 June 2010
Follow up audits	7-11 June 2010
Risk Management Maturity Review	5-7 July 2010
Procurement	to be advised

It was resolved **THAT**:
The Committee note that the programme had been diarised.

7. RISK MANAGEMENT

The Committee reviewed the Risk Management Policy and the Risk Management Report and Action Plan that was presented by the Vice Principal - Resources and showed the Executive Team's highlighted up-dates.

It was resolved **THAT**:

- a) The revised Risk Management Policy be recommended to the Corporation for approval;
- b) The Risk Management Report and Action Plan be recommended to the Corporation.

8. ANNUAL FINANCIAL STATEMENTS

The Committee considered the Annual Financial Statement and Management Letter, prepared by Baker Tilly and presented by Paul Oxtoby of Baker Tilly, and any issues arising out of it with a view to recommending the approval of the accounts, in conjunction with the Finance Committee, to the Corporation at its December meeting. There were no major issues arising out of the work and it was anticipated that the final report would be unqualified.

The Committee went on to discuss the matter of a going concern, particularly in relation to cash flow and the bank covenants, and noted that this would be kept under review by the Finance Committee and identified in the Risk Register.

It was resolved **THAT**:

- a) The report be recommended to the Corporation from an audit perspective and that the letters of representation be signed;
- b) The Risk Register be up-dated to reflect bank covenants.

9. RE-APPOINTMENT/REMUNERATION OF FINANCIAL STATEMENT AUDITORS

The Committee considered the re-appointment of Baker Tilly, following which, It was resolved **THAT**:

Baker Tilly be confirmed as the College Financial Statement Auditors for 2009/10.

10. FUNDING AUDITOR FRANCHISE/PARTNERSHIP SPOT CHECK REPORTS

LSC Audits on Employer Responsive (T2G and Apprenticeships), E2E, and EMA took place week beginning 19 October 2009.

The Committee was pleased to note that the Audit Reports on Employer Responsive Train To Gain and Apprenticeships/Work Based Learning had received unqualified satisfactory audits with a significant improvement over last year:

It was resolved **THAT**:

The reports be received.

11. FINANCIAL MANAGEMENT AND CONTROL EVALUATION (FMCE)

The Committee reviewed the draft FMCE report that the College was required to send annually to the Learning and Skills Council.

It was resolved **THAT**:

The FMCE report be approved for forwarding to the Learning and Skills Council.

12. AUDIT COMMITTEE ANNUAL REPORT, INCLUDING RISK MANAGEMENT

The Committee reviewed the draft Audit Committee Annual Report and confirmed that it was to be updated with remarks from the Baker Tilly report and following confirmation from the Chair.

It was resolved **THAT**:

- a) The Annual Report of the Audit Committee for 2008/09 be approved for submission to the Corporation's December meeting, subject to the Chair updating the report in the light of the Financial Statement Audit;
- b) The up-dated report be circulated to all members when agreed by the Committee Chair.

13. IDENTIFICATION OF REPORTS TO FUTURE MEETINGS

It was resolved **THAT:**

There were no specific reports to be brought to future meetings.

14. ANY OTHER BUSINESS

The matter of an additional Audit Committee member was discussed and the Clerk to the Corporation confirmed that the Search Committee would review the position on a regular basis and would look to increase the Committee by a further member.

15. DATE OF NEXT MEETING

It was resolved **THAT:**

The Audit Committee meet again on **Wednesday 10 March 2010 at 10.00am.**

