

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

Minutes of a Meeting held on Wednesday 15 June 2011 at 5.00pm

Membership:	Charles Cardiff	Member	Chairman
	* Andrew Bishop	Member	
	* Lynden Jones	Member	
	* Mary Orsborn	Staff Member	
	* Andy Williams	Co-opted Member	
	* Pamela Woolgrove	Member	
Quorum:	3 Members required	5 present at start	Meeting quorate
In Attendance:	I Anthony Bravo	Principal	
	I Simon Burrell	Clerk to the Corporation (Clerk)	
	Graeme Clarke	Mazars (Internal Auditor)	
	I Chris Mantel	RSM Tenon (Financial Statements Auditor)	
	I David Moir	Deputy Principal - Finance & Resources (DPFR)	
	Heather Williams	Head of Finance (HOF)	
	* Present		
	I From Minute 259		

PART 1 – NON CONFIDENTIAL MATTERS

258. PRE MEETING DEVELOPMENT SESSION

The Committee held a 'Members Only' pre-meeting development session.

259. APPOINTMENT OF CHAIRMAN FOR THE MEETING

In the absence of the Chairman (Charles Cardiff) Pamela Woolgrove was elected Acting Chairman for the meeting.

260. APOLOGIES FOR ABSENCE

Charles Cardiff.

261. DECLARATIONS OF INTEREST

There were no Declarations of Interest made by those present.

262. NOTIFICATION OF ANY OTHER BUSINESS

There was one item of Any Other Business notified.

263. MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 16 March 2011 were confirmed as a correct record, and were signed by the Acting Chairman.

264. MATTERS ARISING

There were no Matters Arising discussed.

265. PROGRESS REPORT ON THE IMPLEMENTATION OF RECOMMENDATIONS FROM PREVIOUS AUDIT REPORTS

A written report was received, considered and noted. The DPFR advised that there were seven (7) recommendations outstanding from previous audit reports, four had been completed, and the remaining three were due for completion between June and December 2011.

266. INTERNAL AUDIT SERVICE

The Audit Committee recorded its displeasure at Mazars for their failure to attend the meeting, and that no known explanation for their absence had been received.

In the absence of the Internal Auditor the DPFR took Members through the internal audit reports.

1. Internal Audit Report – Equality and Diversity (02.10/11)

A report was received and considered. The Internal Auditor had concluded that following his review he had given ‘substantial assurance’ (second highest ranking) regarding the assurance on effectiveness of internal controls. The Internal Auditor had made six (6) recommendations (all graded Priority 3 – Housekeeping) all of which had been accepted by College Management.

In response to a question from a Member it was noted that the Equality and Diversity Forum was not a decision-making forum, but that its role was to discuss a range of matters relating to equality and diversity and championing relevant issues. The Principal advised that it was the role of the Senior Management Team to make any decisions relating to equality and diversity.

Members were advised also that there was a perception within the College that equality and diversity mainly concentrated on race and sexual orientation matters, and that consideration was needed on how to get the message across the College that it covered a much wider range of topics.

Members raised a question related to the comment about ‘lack of governor awareness’ (recommendation 6.5). It was noted that George Batho was the Champion for equality and diversity. The Clerk was requested to email the DPCQ requesting that George be invited to attend meetings of the Equality and Diversity Forum. **ACTION: Clerk**

The report was noted.

2. Internal Audit Report – Financial Planning, Forecasting and Monitoring (03.10/11)

A report was received and considered. It was noted that the Internal Auditor had concluded that following the review he had given ‘substantial assurance’ (second highest ranking) regarding the assurance on effectiveness of internal controls. He had made three (3) recommendations (all graded Priority 3 – Housekeeping) all of which had been accepted by College Management.

The report was noted.

3. Internal Audit Progress Report 2010/11

A written report was received for information. It was noted that there were seven (7) internal audit reports due for review by the Committee at the next meeting. Members reminded College Management that all completed internal audit reports should be circulated to them electronically as soon they were ready with hard-copies issued with the agendas for meetings. **ACTION: DPFR/Internal Auditor**

It was also noted that of the three reviews already undertaken no Fundamental or Significant recommendations had been made.

The report was noted.

266. (cont)

3. Internal Audit Plan and Timetable 2011/12

A report was received and considered. The DPFR advised that he had met with the Internal Auditor, discussed a number of College developments and reviewed the existing timetable. Mazars had also reviewed their current work and added those elements such as key controls that they were required to cover. The draft plan was based on 45 days covering 19 days on risk-based considerations, and 26 days on other considerations/key controls. It was noted that the 26 days element included the 5 days contingency that the Committee would allocate. The Clerk was requested to email all Members seeking their ideas regarding the area for consideration in 2011/12. **ACTION: Clerk**

It was RESOLVED to RECOMMEND to the CORPORATION that the internal audit plan based on 45 days be agreed.
(Proposed by Andy Williams, Seconded by Pam Woolgrove)

267. FINANCIAL STATEMENTS AUDIT 2010/11

1. Regularity Audit Self Assessment Questionnaire

A report was received and considered. The DPFR advised that some minor changes had been made to the Regularity Audit Self Assessment Questionnaire in order to update it to reflect current operations.

It was RESOLVED that the Regularity Audit Self Assessment Questionnaire be agreed.

2. Audit Planning Memorandum for the Accounts

A written report was received for information. The Financial Statements Auditor took Members through the draft timetable for reviewing the College Accounts.

268. RISK MANAGEMENT REPORT AND RISK REGISTER

A report was received and considered. The DPFR advised that two existing risks (1.2 – funding changes, and 2.1 – employer work) had become more significant and the risk scores increased to 32 (very high risk).

The DPFR advised further that two other risks (2.2 - Higher Education: Score 31, and 6.8 - IT System: Score 24) had also been assessed as increasing since the last review. He also highlighted that the 10 highest risks facing the College (including the four above) were:

2.3	Partnership Delivery	Score 29
6.1	Learner Numbers	Score 28
1.3	Quality Improvement	Score 25
1.8	College Estate	Score 25
1.1	Competition	Score 24
3.1	Staff Development	Score 24

The report was noted.

269. USE OF COLLEGE SEAL

The Clerk advised that the Seal had not been used since the last meeting.

270. ANY OTHER BUSINESS

1. Publication of the Equality and Diversity Internal Audit Report

The Committee recorded its disappointment that the results of the internal audit report on equality and diversity that had been commissioned by the Audit Committee had been published within the College before it (the Committee) had received and considered it formally. It was noted that the DPCR had apologised to the Chairman of the Committee for this error.

271. DATE OF NEXT MEETING

Wednesday 23 November 2011
Wednesday 7 March 2012
Wednesday 13 June 2012

Confirmed as a correct record

Signed:..... Date:.....