

Draft Minutes

MEETING OF AUDIT COMMITTEE

DATE 5.00PM, THURSDAY, 3rd DECEMBER 2015

VENUE BOARD ROOM, GATEWAY BUILDING, PARSONS WALK, WIGAN CAMPUS

ATTENDANCE: Committee Members:

Governors

David Rogers Chair

Ann Harrison. Vice Chair (Acting Chair)

Susan Spibey

Alison Dann

External Co-optee

Pauline Hunter

Clerk to the Governing Board

Lorna Lloyd-Williams

Principal

Michael Sheehan

Finance Director

Claire Jarvis

Executive Director, College Services

Louise Brown

Internal Auditors (Baker Tilly)

David Fletcher

External Auditors (Wyllie Bissett)

Scott Gillon

Italics denote absence

The Chair opened the meeting for business at 5.05 pm and the Clerk confirmed it was quorate with at least 2 Governors being present.

Minute	Item	
A/15/12/01	1	CONSULTATION WITH AUDITORS This was not required as both Governors and Auditors had confirmed they had no issues to raise.
A/15/12/02	2	APOLOGIES – Were received and accepted from David Rogers.
A/15/12/03	3	DECLARATIONS OF INTEREST Ann Harrison made a declaration of interest in that her firm was named in the finance papers.
A/15/12/04	4	MINUTES OF THE MEETING HELD ON THURSDAY 4th JUNE 2015 – were accepted as a correct record and approved for signature by the Chair.
A/15/12/05	5	MATTERS ARISING

		A query was raised concerning minute number A/15/3/61 and whether this had been completed. It was confirmed that it had been completed. All other actions were either completed or scheduled.
A/15/12/06	6	ANNUAL CYCLE OF AUDIT COMMITTEE BUSINESS
	6.1	<p>Financial Statements Audit Management Letter (the draft Financial Statements 2014-15 were circulated for information).</p> <p>Scott Gillon (Wylie Bissett) took the Committee through the detail of the report and highlighted the following key points:</p> <ul style="list-style-type: none"> • An unqualified opinion issued in relation financial statements and regularity • Strong systems in place to comply with governance arrangements. • Uplift in pension liability. Governors questioned whether this would stabilise or increase and received reassurance that this was a long term liability and regularly revalued. • Financial statements comply with the Accounts direction. • In relation to Governance arrangements, no recommendations made • No concerns regarding fraud. <p>Governors raised questions about the area reviews and the two letters of representation which were satisfactorily answered.</p> <p>The Committee expressed their appreciation for the work that both the Finance Department and the Auditors had undertaken.</p> <p>It was: Resolved: that the Financial Statements Audit Management Letter should be recommended to the Governing Board for approval.</p> <p style="text-align: right;">Action: Finance Director</p> <p>Annual Report of the Audit Committee 2014-15</p> <p>The Clerk spoke to this item and following discussion regarding a value added policy it was agreed that two minor amendments would be made to the report and subject to these</p> <p>It was: Resolved: that the Annual Report of the Audit Committee 2014-15 be recommended to the Governing Board for approval.</p> <p style="text-align: right;">Action: Clerk</p> <p>It was further agreed that the Finance Director would consider the sample policy to be supplied by the internal auditors and also whether any of the College's existing policies e.g. procurement covered this.</p> <p style="text-align: right;">Action: Finance Director</p>
A/15/12/07	7	INTERNAL AUDIT REPORTS
	7.1	<p>Internal Auditors Annual Report 2014-15</p> <p>David Fletcher spoke to this report and commented that the internal audit reports had been seen by the committee already. He advised that as auditors they were able to give an unqualified opinion that the College has adequate and effective governance, risk</p>

		<p>management and control processes to manage the achievement of its objectives. He then explained that they had a duty to inform regarding any slight concerns which he did by giving a summary of the recommendations made in the internal audit reports the committee had already received.</p> <p>Governors queried whether under Section 3.1 Value Added, we had been informed of the programme of seminars that they offer. David confirmed that he would ensure the new Clerk was on the mailing list so this information could be disseminated to Governors.</p> <p>Resolved: that the Internal Auditors Annual Report should be recommended for approval to the Governing Board.</p> <p style="text-align: right;">Action: Clerk</p>
	7.2	<p>Follow up Audit on Student Records, Apprenticeships and Data protection.</p> <p>David Fletcher spoke to his report and outlined the work that had been undertaken. The Committee were informed that all recommendations in relation to the Data Protection Audit had been implemented. In relation to the seven recommendations made in the Student Records-Apprenticeships Audit, four had been addressed and there was further work to do in relation to the remaining three. Governors were advised of the outstanding queries and where progress had been made. There will be a further follow up Audit.</p>
A/15/12/08	8	AUDIT IMPLEMENTATION PLAN
	8.1	<p>The Finance Director spoke to this item. She outlined to the Committee the work that had been undertaken since the last time they had reviewed the Implementation Plan. Governors queried whether the revised estates strategy would be presented at December Board and were informed that the Executive were in the process of preparing the strategy.</p> <p style="text-align: right;">Action: Executive</p> <p>Governors also queried whether any action had been taken regarding the development of an assurance framework. It was agreed that the Clerk and the Director of Finance would meet to discuss this.</p> <p style="text-align: right;">Action: Clerk & Director of Finance</p>
A/15/12/09 0	9	SFA FUNDING AUDIT
		<p>The Finance Director spoke to the report. Governors noted that the audit had led to funding adjustments which represented 1% of the overall funding claim and therefore well within the tolerances set by the EFA and SFA. Governors gave their congratulations.</p>
A/15/12/10	10	RISK MANAGEMENT
		<p>Governors received an update on the risk register which had been presented and agreed at the last Audit Committee meeting. Governors were advised that one further strategic risk had been added; area reviews. Governors were informed that a full risk register review would be undertaken in March 2016. After some discussion about cybersecurity and the nature of operational versus strategic risks, the report was duly noted.</p>
The Auditors were thanked for their attendance and contribution and left the meeting at this point.		
A/15/12/11	11	REVIEW OF INTERNAL AUDITORS
		<p>The committee reviewed the performance of the internal auditors and set Key Performance Indicators for the current academic year.</p>

		ANY OTHER BUSINESS There was one item of A.O.B; the completion of a meeting evaluation form which the Clerk explained that she was trialling to fulfil one of the Governance Audit requirements and also to help with committee evaluation, a requirement of the Code.
A/15/12/12	12	DATE AND TIME OF NEXT MEETING – Thursday 17 th March at 5pm
The Chair declared the meeting closed at 6.10 pm		