

Minutes of the Meeting of the Audit Committee held on Tuesday 10th March 2015, 5.00pm, the Conference Room, Prior Pursglove College

Present: Mr J Kay (Chair), Mr B Pearce, Cllr P Spencer

In Attendance: Mrs J Burton (Principal), Ms S Langstaff (Finance Manager), Mrs E Grove (Clerk), Ms A Cowan (Wylie + Bisset LLP, Internal Auditors)

Meeting quorate

100% attendance

1) **Apologies for Absence**

There were no apologies for absence.

2) **Minutes of the Meeting of Tuesday 25th November 2014**

The minutes were agreed and signed as a true record.

3) **Matters Arising**

8.2) Draft Financial Statements and Regularity Audit Report to Management for the year ended 31st July 2014: It was confirmed that the SFA funding reconciliation statement had been received and the accounts had been signed off by the auditors.

9) Internal Audit: It was confirmed that management responses had been returned in time for Wylie + Bisset to issue final audit reports for the meeting.

4) **Internal Audit**

Ms Cowan took the committee through the individual audit reports.

4.1) Follow up Review: The overall conclusion was 'strong' with 13 (68%) recommendations fully implemented, 2 (11%) partially implemented, 3 (16%) not implemented and 1 (5%) superseded.

It was noted that of the 3 classed as not implemented, 1 had been completed after the audit and two were in progress.

The superseded recommendation relating to email and data archiving solutions was discussed. The auditors were satisfied with the management response that following evaluation it was not considered cost effective to change the current system. The committee supported this in principle but asked for an explanation note to be provided before removing it from the report. Ms Langstaff was asked to follow this up with the Assistant Principal Resources. **Action**

4.2) Corporate Governance: The overall conclusion was strong. There were no recommendations arising from the audit. Benchmarking data showed the average number of recommendations to be one medium and one low for this audit area. Seven areas of good practice were identified during the audit.

4.3) Student Records: The overall conclusion was strong. There were no recommendations arising from the audit. Benchmarking data showed the average number of recommendations to be one medium and two low for this audit area. Four areas of good practice were identified during the audit.

It was agreed to recommend the reports with management responses to the Corporation.

5) **Progress on Outstanding Audit Recommendations**

Progress was discussed with particular reference to the change of completion date for scanning learning agreements. It was noted that scanning will be integrated into the enrolment process in future years. The revised date was accepted.

6) **Risk Management**

6.1) Adequacy of the Risk Management Timetable: The timetable and activities were reviewed. It was noted that the review of the approach to the risk management process

may impact on in term deadlines but would not have an adverse effect on the final completion date. The timetable was considered to be adequate.

6.2) **Review of Risk Management Process**: Ms Langstaff spoke to the paper sent with the agenda. Members were informed that the Senior Leadership Team (SLT) had reviewed the risk questions and a number of new risks had been identified. Members asked for the risk of breaching the bank loan agreement to be added to the finance section. **Action FM.**

Discussion moved to the draft risk management plan structure. The changed approach would ensure that monitoring by SLT could readily take place on a monthly basis and new risks be added as they were identified. It was confirmed that the completed plan would be brought to the summer term meeting. Members welcomed the change in approach.

6.3) **Risk Focus – reduction in student numbers**: Ms Langstaff spoke to the paper sent with the agenda. Mr Kay tabled a draft paper outlining the college's forecasting history, competitive threat and possible actions to be taken. The paper was discussed. Mrs Burton was questioned about the actions taken and being planned to increase student conversion rates. It was noted that applications had risen from some schools. Further marketing would take place to link with publication of the latest Ofsted Report. The potential to develop new curriculum areas was raised and discussed. The 24+ loans students, traineeships and apprenticeship opportunities were discussed.

7) **Control Issues**

There were no control issues which needed to be brought to the attention of the committee.

8) **Date and Time of Next Meeting**

This was confirmed as Tuesday 16th June 2015 starting at 5.00pm.

9) **Any Other Business**

There was no other business.

10) **Publication of Documents**

It was agreed to publish all documents except those in draft.

Mrs Burton and Ms Langstaff left the meeting at 5.42pm.

11) **Invitation for Auditors to speak with Committee Members**

Ms Cowan advised that there were no issues to bring to the attention of the committee. The committee had no questions for the auditors.

The meeting closed at 5.45pm.