

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE held at Bicton College on Monday 30 June 2008**

- PRESENT:** Sir John Cave - Chairman  
Cllr E J Berry  
Mr M Ellingham  
Mr J Lowe - Staff Governor  
Mrs J Yung
- IN ATTENDANCE:** Mrs L Twigg - Interim Principal  
Mr J Kelly - Interim Director of Finance and Planning  
Mr G R Copper - Clerk to the Board of Governors  
Ms E Steed - PricewaterhouseCoopers – Internal Auditors
- APOLOGIES:** Mrs C Bourne

**SUMMARY OF RECOMMENDATIONS**

- Subject to agreed amendments it was recommended that the internal audit plan for 2008-9 be proved by the Board.
- Recommended to the Board that the contracts with Bishop Fleming, financial statements auditors and Price Waterhouse Coopers, internal auditors be extended to 31 July 2009.

The Chairman welcomed Mike Ellingham to the Committee and Emily Steed returning to Committee meetings.

**1. MINUTES**

- 1.1** The Minutes of the Meeting held on 21 November 2007 were confirmed and signed by the Chairman.

**Matters Arising**

**1.2** Minute 4.1

It was reported that work had been focusing on the business recovery plan and an update report on the risk register would be provided to the November meeting.

**2. MATTERS OUTSTANDING FROM PREVIOUS AUDIT REPORTS**

- 2.1** Received a report showing the action items still outstanding from the report presented to the previous meeting. The list had now been reduced to three items which were still being worked on. A further report was provided on the remedial

actions being taken in response to recommendations in the internal audit reports on bank and treasury management and debtors and non grant income.

### **3. INTERNAL AUDIT REPORTS**

- 3.1** Ms Steed presented the report on Corporate Governance. A medium risk issue was the completeness of Governor responses to the skills audit questionnaire. The Clerk stated that although a full response had not been received from the last two audits there were other sources of information that enabled a full picture of current Governor skills to be provided to the Search Committee. The delay in publishing Minutes on the College website had now been resolved and it was anticipated that the Principal's job description would be updated when a new appointment was progressed.
- 3.2** Two further audit reports on risk management and new business development had been prepared but due to priority being given to the recovery plan and the budget the College responses were not yet been finalised. The reports would be circulated to the Committee when completed.
- 3.3** It was suggested that the contingency days remaining in the 2007-8 audit plan be used for staff development on generating income and new business. PWC would look at the availability of expertise to provide this.
- 3.4** Ms Steed reported on the status of audit reports and the forecast level of assurance. At present limited assurance was anticipated in the annual report. The Clerk was concerned that limited assurance was not a satisfactory position and recommended that the College should ensure that the remaining audit reports to be completed would permit moderate assurance to be provided.

### **4. INTERNAL AUDIT PLAN**

- 4.1** Received the draft internal audit needs assessment, strategic plan and annual plan for 2008-9. The proposed audits and days allocated were discussed. It was agreed that as an Ofsted inspection was expected in the autumn, an audit on quality was not a priority in 2008-9 and three days work should be re-allocated for an audit of Saplings Nursery. The number of audit days for student records to remain at 3.5 days but to be reviewed when the new audit criteria was known. After the changes the total number of internal audit days for 2008-9 would be 28. Subject to these amendments it was agreed that the audit plan for 2008-9 be proved by the Board.

### **5. APPOINTMENT OF AUDITORS**

- 5.1** Following the review of performance at the previous meeting, it was agreed to recommend to the Board that the contracts with Bishop Fleming, financial statements auditors and Price Waterhouse Coopers, internal auditors be extended to 31 July 2009.

**6. DATE OF NEXT MEETING**

**6.1** Wednesday 26 November 2008 at 2.00 pm

Signed \_\_\_\_\_  
Chairman

Date \_\_\_\_\_

**AUDIT COMMITTEE  
ACTION ITEMS**

<b>MINUTE</b>	<b>ACTION</b>	<b>BY</b>	<b>WHEN</b>
<b>3.2</b>	The audit reports on risk management and new business development to be circulated to the Committee when completed.	Clerk	31.7.08