

AQUINAS COLLEGE AUDIT COMMITTEE

Time: 4.30pm
Venue: The College
Meeting: 25 January 2016

GOVERNORS PRESENT

Mr L Byrne, Mr A Martin, and Mr A McCarthy.
Mr A Martin in the Chair

IN ATTENDANCE

Ms L Tweedie	RSM
Mr C Barstow	Mazars LLP
Mrs D Blackburn	Assistant Principal (Finance)
Mr T Conlon	Clerk to the Governing Body

1. APOLOGIES FOR ABSENCE

An apology for absence had been received from Mrs J Miller.

2. DECLARATION OF INTERESTS

Governors and Staff were asked to declare any interest, which they may have in any items on the Agenda for this meeting. No interests were declared.

3. COMMITTEE MINUTES

RESOLVED – That the minutes of the meeting held on 9 November 2015, copies of which had been circulated previously be approved and signed by the Chairperson as a correct record.

4. MATTERS ARISING FROM THE COMMITTEE MINUTES

i) Draft Statutory Accounts – Minute 5

Mrs Blackburn advised Governors that the College's Annual Report and Financial Statement for the year ended 31 July 2015 had been submitted to the SFA by 31 December 2015.

ii) Internal Audit Letter of Engagement - Minute 7

Mrs Blackburn advised Governors that a new Letter of Engagement had been received and signed by the Chair of Governors.

5. INTERNAL AUDIT PROGRESS REPORT

RSM reported that everything was on target to complete their work in accordance with the Audit Plan for 2015/2016. Three more reports would be submitted to the June 2016 meeting of the committee a) Framework for Compliance with Legislation b) Student Records - Study Programmes, Withdrawals and Destinations and c) Follow Up.

Mrs Blackburn apologised that the report had not been circulated in colour.

RESOLVED: That the Internal Audit Progress Report be received.

Sixth Form Colleges	0.00	11.00	21.00	68.00
Land based Colleges	0.00	0.00	25.00	75.00
Art and/or Technology Colleges	0.00	6.00	19.00	75.00
Colleges in Wales	0.00	4.00	18.00	78.00

ii) Average Number of Recommendations

	High	Medium	Low	Total
Aquinas 2014/2015	0.00	0.00	0.75	0.75
Aquinas 2013/2014	0.20	0.80	2.40	3.40
Aquinas 2012/2013	0.00	2.00	0.66	2.66
Average across FE	0.29	1.34	1.80	3.42
General FE England	0.31	1.41	1.79	3.51
Sixth Form Colleges	0.03	0.80	1.80	2.63
Land based Colleges	0.13	1.00	1.25	2.38
Art and/or Technology Colleges	0.05	1.11	2.00	3.16
Colleges in Wales	0.35	0.88	1.92	3.15

The Benchmarking data was noted.

9. REVIEW OF COMMITTEE TERMS OF REFERENCE

A copy of the current Audit Committee Terms of Reference had been circulated to all members prior to the meeting. Mr Byrne agreed to undertake a tidying up exercise and it was agreed that the Clerk to the Governing Body would circulate a revised copy of the Committee Terms of Reference to all members for their agreement to the changes.

10. FEEDBACK ON RISK REGISTER AND MANAGEMENT ACTIONS

Mrs Blackburn circulated a report that gave Governors a brief overview on risk areas which are a focus for the beginning of the Spring term. The areas included the following:

- i) Reduction in funding from the EFA/SFA
- ii) Drop in SFA funding and rise in fee charges for Adult Centre
- iii) High Level ALS
- iv) A Level Reform
- v) The college overspends its revenue
- vi) Recruitment of students
- vii) Failure to maintain the reputation of the college
- viii) Student issues

The report also gave a list of all the Key Risks included in the Risk Register.

Mr Byrne asked if VAT can be recovered. Mrs Blackburn advised members that VAT could only be recovered if the college was an Academy or a lead on a Multi Academy Trust. A report on how colleges can obtain Academy status was due to be published in February 2016. The Area Based Review was running behind schedule and the report on Greater Manchester would not now be published until May 2016.

Mr Martin asked what the latest position was in respect of the Notice of Concern for Adult Education. Mrs Blackburn advised members that the Action Plan was being updated and that it only covered the examination courses in Mathematics, English, Science and Access to Higher Education.

After a full discussion it was:

RESOLVED: That the report be received.

11. FRAUD LOG BOOK

Mrs Blackburn advised members that there were no incidents of fraud or corruption to report.

The Auditors left the meeting at this point.

12. APPOINTMENT OF AUDITORS FOR 2016/2017

A discussion took place on the appointment of Internal and External Auditors for 2016/2017.

Mr McCarthy asked if the college is facing budget cuts is this one area where savings could be made. It was felt that the amount that could be saved would be minimal. It was agreed that 18 days of internal audit was required for the Committee to give full assurance to the Governing Body.

A discussion took place on the broad areas that would be covered by internal audit and it included the following areas;

i) Finance, ii) ILR, iii) IT, iv) Governance, v) Health and Safety and vi) Payroll/HR

Mrs Blackburn was asked to contact both RSM and Mazars LLP to ascertain what their fees would be for 2016/2017 for the same level of audit that was undertaken in 2015/2016.

13. ANY OTHER BUSINESS

i) Fraud Policy – Mrs Blackburn agreed to forward to all members a copy of the college's Fraud Policy.

ii) Spring Term Meeting – Mrs Blackburn asked if the meeting for the Spring Term 2017 could be later to allow time for the Internal Auditors to carry out their audits and submit a report to the Committee. The Clerk to the Governing Body was asked to bear this in mind when drawing up the calendar of meetings for 2016/2017.

14. DATE OF NEXT MEETING

It was agreed that Mr D Pearson (Principal) be invited to attend the next meeting that would be held on 6 June 2016 at 4.30pm.