

Northumberland College

Audit Committee

Minutes of meeting held on 3rd July 2008 at 4.30pm at Ashington

Present: **S Barlow (Chairperson)**
 I Todd
 C Smith
 J Wright

In Attendance: **C Taylor (Clerk)**
 I Holmes (VP Finance)
 L Healey (Bentley Jennison)

AC07/055 Confirmation of Quorum

The Chairperson verified that there were no changes to eligibility and confirmed that the meeting was quorate (3 members present).

AC06/056 Apologies

Apologies had been received from the Principal and David Fleming.

AC07/057 Working party recommendations held on 13th March 2008

The Committee worked through the working party recommendations and agreed the recommendations contained therein, namely:-

1. The internal audit report be approved;
2. The listed entries be removed from the Log of Outstanding issues
3. The terms of reference be agreed and **recommended** to the Corporation for adoption.

AC07/058 Verbal update audit report

Bentley Jennison gave a verbal update confirming that:-

1. the findings of the internal audit on corporate governance was good;
2. various draft reports were still to be completed and would be produced to the next meeting;
3. due to interface issues between the finance and enrolment systems a limited assurance level had been given on key financial controls. Additional testing and further recommendations were still being completed and required checking and it was agreed that by the end of July checks and balances would be completed. After discussion it was agreed that all queries should be cleared before the end of July to ensure that the College got substantial assurance. IH to raise with the Chair should the use of contingency days be required to achieve this;
4. all reports and the annual report would be available for the next meeting.

Members noted their concerns with the above.

AC07/059 ILR Audit Action Plan

IH explained that the LSC had suggested that the College should complete an ILR audit as it was a useful tool for management. It was noted that this was not a requirement but would be good practice for the College. IH is to manage this with the internal auditors.

AC07/060 Review and establish annual performance measures

It was noted that the measures were exactly the same as last year and after discussion it was agreed that they should be for the new internal and external auditors going forward. After discussion it was agreed:-

1. that the Committee, at Easter, should review progress and feedback to the auditors;
2. the auditors should have a copy of the measures and knowledge that they would be reviewed at Easter
3. the clerk to place the measures on the Easter agenda

Clerk

AC07/061 Log of outstanding issues

IH confirmed that no further items had been removed until the auditors had verified the contents. A new log would be compiled for the next meeting. Explanation was sought by members on the implementation of actions which had not been achieved through a given course of action. It was noted that other avenues would were being sought giving the College assurance in the meantime. It was agreed that some action points should be reworded to show what action was being taken and what had been done. IH to amended the log.

IH

AC07/062 Chair's annual report

Members confirmed that they did not have anything further to add to the annual report but it was **recommended** that the Chair should stress at the Corporation meeting that the statement on key financial controls indicating that they were adequate would be changed should this not happen.

Chair

After discussion it was agreed that next year's annual report should be initially drafted by IH and then validated by the Committee and the Chair. This would ensure that all matters were captured within the report.

AC07/063 Any other business

None

AC07/064 Designation of items as confidential if required

None

AC07/065 Date of next meeting

TBA

DATE	Action	Responsibility
16.10.07	AC07/052 Clerk to put together an assessment for next meeting on committee effectiveness	Clerk
16.10.07	Principal to draft letter for circulation to members re: LSC and ILR audit	REJ
03.07.08	AC08/057 Terms of reference to go to Corporation for approval	Clerk
03.07.08	AC07/060 Review of annual performance measures for internal and external auditors to be on March agenda for completion	Clerk
AC07/061	AC07/061 IH to amend reword the log of outstanding issues showing what action had been taken when an agreed action had not been achieved eg electronic registers	IH
16.10.07	AC07/052 Clerk to put together an assessment for next meeting on committee effectiveness	Clerk