

## **B O S T O N C O L L E G E**

### **MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON THURSDAY 26 NOVEMBER 2015**

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#### **1. PRESENT**

Mr A Reynolds (Chair), Mr D Hanson, Mr D White, Mrs H Wright, Mr A Atkins, Mrs S Richards

Also in attendance: Miss S Hill (Clerk to the Audit Committee), Mrs A Mosek (Principal), Mrs J Hemmant (Vice Principal, Corporate Services), Mr J Creed (ICCA), Mr R Lewis (RSM).

#### **2. ACTION LOG**

It was reported that there had been a review of Curriculum Administration which has recently been reorganised and all Administrators now report to the same Manager.

#### **3. MINUTES OF MEETING HELD 25 JUNE 2015**

The minutes of the meeting held on 25 June were approved.

#### **4. ANNUAL ACCOUNTS 2014-15**

Mrs Hemmant had produced a report on the draft Annual Accounts which showed a surplus of £720,000 for the year which was pleasing compared with a deficit of £74,000 for the previous year.

Mr Lewis went through key points of the accounts and audit findings. The Committee was pleased to note that the audit had run smoothly. The auditors had no issues of significance to raise and the Committee was satisfied with the audit outcomes and accounts.

Mr Lewis confirmed that Boston College was in a better financial position than many other FE Colleges.

#### **5. INTERNAL AUDIT**

##### **a) Annual Internal Audit Report year ending 31 July 2015**

Mr Creed summarised the work carried out by Icca during the last academic year which resulted in all reports being categorised with Substantial or Reasonable assurance opinions. The audit on Business Process Review, focusing on Learner Enrolment and Registration had been carried out in an advisory capacity only and did not carry audit opinions.

## **b) Internal Audit Progress Report & Sector Update**

Mr Creed gave the Committee an update on progress already made against the approved plan for the 2015/16 financial year and summarised the work carried out to date. He also updated the Committee on developments and risks within the Sector. The Committee approved a proposal to defer the planned safeguarding audit and replace it with the review of subcontracting controls which is a new requirement of the Skills Funding Agency.

## **c) Audit Report: Risk Management – Development of a Board Assurance Framework**

Mr Creed presented the report on Risk Management and confirmed that he was able to provide the Committee and management with a substantial assurance that the areas tested are designed and operating effectively with no significant weaknesses. It was noted that the Audit Committee would in future receive a risk management report at each meeting.

The Committee decided that the Committee's specialised area for audit for this next year would be Prevent, in view of the importance of this topic within the Government's agenda. The Committee was informed that Ofsted would be visiting the College on 4 December as part of a thematic review to look at how well the Prevent agenda was being implemented in colleges. It was felt that this would provide useful feedback to the College.

## **6. RISK MANAGEMENT ANNUAL REPORT**

Mrs Hemmant presented the Risk Management Annual Report to the Committee. It was confirmed by Mrs Mosek that the risk register, action plan and progress is regularly monitored by the Senior Leadership Team.

## **7. PERFORMANCE MONITORING**

Mrs Hemmant produced a report on Performance Monitoring for the Committee and auditors. The Committee noted its performance against its 2014/15 targets and considered targets to propose for 2015/16. The Committee decided that its specialised area for review should be Prevent, in view of the Government's agenda.

It was agreed that the targets to be proposed to the Corporation for the Committee should be:

- Make an annual report to the Corporation
- 80% attendance at meetings
- Recruitment of a suitable committee member to replace a member reaching the end of his term of office
- Review the implementation of the PREVENT action plan

A discussion took place on auditors' performance and the performance indicators which had been completed by Mrs Hemmant. The Committee agreed to continue with the services of both auditors.

**8. ESF AUDIT**

It was confirmed that there were no errors found in the ESF Audit but some minor recommendations relating to compliance with ESF regulations.

**9. JOINT AUDIT CODE OF PRACTICE**

The latest version of the Joint Audit Code of Practice (JACOP) and a briefing paper from RSM on its implications were reviewed.

**10. ANY OTHER BUSINESS**

The Chairman confirmed his retirement from the Corporation in February 2016 and he thanked the Committee members for their support. Mr Hanson, as Deputy Chairman thanked Mr Reynolds for his time as Chair of the Audit Committee during many of his 20 years of service to the Corporation.

**11. NEXT MEETING**

It was noted that the next meeting of the Committee would take place on Thursday 17 March 2016 at 3.00 pm.