NORTH WEST KENT COLLEGE

AUDIT COMMITTEE

Minutes of a meeting of the AUDIT COMMITTEE held at 5.30pm on 29 February 2012, in the Boardroom, Oakfield Lane, Dartford

Present:

Mr Julian Parkes (Chairman)
Mr Robbie Higgins
Cllr Arron Bardoe
Mr Graham Moody (staff governor)

In attendance: Mr K Oxspring (Interim Clerk to the Corporation)
David Morris (MacIntyre Hudson – internal auditors)
Lawrence Jenkins (Director of Finance)
Mr Ian Goodwin (Director of Estates)

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1.1 APOLOGIES

The Chairman noted that no apologies for absence had been received.

1.2 DECLARATIONS OF INTEREST

No declarations of interest were submitted in respect of the items on the agenda of this meeting.

1.3 MINUTES

1.3.1 The minutes of the meeting held on Thursday 23rd November 2011 were agreed as being an accurate record and were duly signed by the Chairman.

1.3.2 MATTERS ARISING

1.3.2.1 Management Template – Review of audit provision

It was noted that the management template was still outstanding despite the Chairman requesting that it be available for this meeting. The Chairman explained that it had previously been agreed to introduce a formal review of auditing provision for the College every 3 years for both the Internal and External auditors albeit at different times.

It was agreed that the newly appointed Director of Finance would prepare a template to assist that process as soon as possible and circulate to members with a view to agreeing the content at the next meeting. — Director of Finance

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1.3.2.2 Performance Indicators

The Director of Finance explained that he had not yet seen the performance indicator questionnaires deriving from the Audit Code of Practice. It was agreed that the Director of Finance would update the 4 documents before the next meeting

Director of Finance

1.4 Reports

1.4.2 Internal Audit Report

Copies of the Internal Audit Report Ref: CB/AC/29.02.12/1.4.2 had been circulated to attendees with the agenda.

The Internal Auditor provided the meeting with an overview of the Report. He highlighted that there had been a number of staff changes within the College which had meant that the task had been a little more difficult than normal. Areas covered by the Report included Income & Credit Control, Financial & Management Reporting, Suppliers, Payroll, Marketing, Student Enrolment and Partnerships.

The overall result was 'satisfactory' and comments on each area were made where there were issues to be addressed. There were no issues raised within either Income & Credit Control and Partnerships.

The Chairman explained that some of the issues raised had already been dealt with and the low number of issues generally was encouraging.

The next Audit will be undertaken in April 2012.

It was

RESOLVED:
to receive and note the Internal Audit Report

At this point Mr David Morris (MacIntyre Hudson) left the meeting.

1.4.1 Risk Register & Risk Reduction Plan

Copies of the Risk Register & Risk Reduction Plan Report Ref: CB/AC/29.02.12/1.4.1 had been circulated to attendees with the agenda.

The Chairman explained that this document was reviewed by the Senior Management Team on three occasions each year.

The Director of Estates gave an overview of the Report. He explained that following his attendance at a recent Risk Conference, he felt that it would be more appropriate for the Register to be linked to the College Strategic Aims that are currently being developed by the new Principal and his

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team. The risks included could then be linked more closely to the categories of the KPI's arising from those Strategic Aims.

The governors queried a number of aspects of the document including conflicts with the Internal Audit Report on Partnerships together with the accuracy of the probability figures included therein. Governors also suggested that it would be helpful to include the cost of reducing the risk. The Director of Finance also expressed a view that in his experience the document was very detailed. He also highlighted some items that were now concluded.

The Chairman emphasised the need to 'keep it simple' and also highlighted that it was the responsibility of the SMT to include what they considered to be appropriate data. He suggested that for the time being, we continue with this format with a view to streamlining the document between now and the beginning of the 2012/13 academic year, once the Director of Estates (and SMT) had completed the review. — Director of Estates

It was

RESOLVED:

to receive and note the Risk Register & Risk Reduction Report and recommend to the Corporate Board for approval

1.4.3 Auditors Letter of Engagement

Following the transition between Clerks, it was unclear why this item had been included on the agenda and the Chairman asked that the Audit Committee Meeting standing items be circulated to both himself and the Director of Finance so that they could be reviewed accordingly. — Interim Clerk

1.4.4 Outstanding Audit Visit Recommendations Report

Copies of the Outstanding Audit Visit Recommendations Report Ref: CB/AC/29.02.12/1.4.4 had been circulated to attendees with the agenda.

The Director of Finance gave an overview of the Report explaining that nothing had materially changed since the last update in November 2011 mainly due to staff changes. The Internal Auditors will be returning in April 2012 and progress will be pursued on as many outstanding issues as is possible. Timescales for undertaking any outstanding actions will also be included.

The Chairman emphasised that the document should include all outstanding audit issues rather than purely internal audit items. The Director of Finance was asked to arrange for these to be included in future versions. — Director of Finance

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In addition, completed items, once seen, need to be removed from the schedule, as this process is effectively a self assessment process.

It was

RESOLVED:

to receive and note the Auditors Outstanding Recommendations Report

1.4.5 Policy Lists

Copies of the Policy Lists Report Ref: CB/AC/29.02.12/1.4.5 had been circulated to attendees with the agenda.

The Chairman explained that this schedule had been prepared around 2 years ago and was maintained by the Executive PA to the Principal. It is a useful checklist to ensure that all policies were regularly review and updated on a timely basis.

It was noted that some Personnel related policies were reviewed and agreed on the previous evening. In addition, 2 more Personnel policies needed to be added.

The governors suggested that some of the policies could be consolidated together to reduce the size of the schedule. The Chair acknowledged the suggestion and recommended that the document be refined once the backlog of policy reviews had been brought up to date.

1.5 ANY OTHER BUSINESS

No other business was raised at the meeting.

1.6 DATE AND TIME OF NEXT MEETING

5.30 pm, Wednesday, 30 May 2012 in the Boardroom at Dartford

The meeting concluded at 7.00pm