



Minutes of the Audit Committee meeting held on Friday 13 November 2009 at 11.00am at Transport House, 128 Theobald's Road, London WC1X 8TN

Present : Carole Orgell-Rosen (Chair)
John Chastney

In attendance : Sally Courtney
Karen Edwards (Tenon)
Kevin Lally (Knox Cropper)
Chris Wilkes

Noted that the meeting was inquorate.

1.0 Apologies for absence

Apologies were received from Andy Bain, Ray Collins, Jan Etienne, Rebecca Cox, Rachel Hemstock and Audrey Mullender.

2.0 Minutes

Confirmed: as a correct record the minutes of the meeting held on 19 June 2009.

3.0 Matters arising not covered elsewhere on the agenda

3.1 External audit fees

Sally Courtney reported that she had discussed fees with Tenon. The fees for 2009/10 would be at the agreed level.

3.2 Internal audit fees

Chris Wilkes reported that he had discussed fees with Knox Cropper. The fees for 2009/10 would remain at those charged for 2008/09.

4.0 Financial statements auditors' management letter

Received: the financial statements auditors' management letter for the year ended 31 July 2009. The letter would be put to the next meeting of the Governing Executive.

Noted: the following points :

- ◇ The property strategy costs would be reported to the Governing Executive.
- ◇ The going concern issue, which would need close scrutiny in the next audit.
- ◇ The situation on debtors would be reported at the next meeting.

ACTION

SC

- ◇ The issue of non-completion of the register of interests by some members of the Governing Executive would be highlighted at the next meeting of the Governing Executive.
- ◇ An appendix to the management letter would be circulated.

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RC

5.0 Draft annual report and accounts to 31 July 2009

Received: the draft annual report and accounts to 31 July 2009.

Noted: these had been received by the Finance Committee. A number of minor adjustments would be made before they were recommended for approval by the Governing Executive.

6.0 Internal audit

6.1 Capital project

Received: a report on the capital project, prepared in September 2009, which had already been received by the Governing Executive.

Noted: the conclusion of the review was that the internal auditors were satisfied that the projections for the capital project and for future operations have been carefully prepared and that there was nothing to suggest, from their review, that the capital project, and the funding proposals, are unaffordable for the College.

6.2 Follow-up

Received: a follow-up report on the implementation of agreed internal audit recommendations.

Noted: that following the last Audit Committee there were a total of 12 agreed recommendations for implementation. Of these, nine have now been implemented. The status of the remaining three outstanding recommendations, on catering and treasury management, was contained in the report.

7.0 Internal audit report for 2008/09

Received: the internal audit annual report for 2008/09.

Noted: that the internal auditors were satisfied that sufficient internal audit work has been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes. In their opinion the College has adequate and effective risk management control and governance processes to manage its achievement of the College's objectives.

Noted: the internal audit plan for 2009/10, based on an updated Audit Needs Assessment. This included an audit of Governance Processes and Risk Management. It also included an audit of Academic Management which had been delayed from 2008/09.

8.0 Risk Management annual report for 2008/09

Received: the risk management annual report for 2008/09, prepared by the General Secretary.

- Noted:** that this report would be received by the Governing Executive at its next meeting. The General Secretary would add his name at the end of the report. **CW**
- 9.0 Audit Committee annual report for 2008/09**
Received: the Audit Committee annual report for 2008/09, prepared by the Clerk.
Noted: that this report would be received by the Governing Executive at its next meeting.
- 10.0 Financial management and control evaluation**
Received: the draft financial management and control evaluation return for 2009/10, which was a self-assessment report prepared by the General Secretary, the Finance Director and the Clerk.
Noted: the self-assessment grades for accountability, financial planning, internal control and financial monitoring were 'Good' in each case. The overall, self-assessed grading for financial management and control was 'Good'.
Noted: that this evaluation would be approved by the Governing Executive and then returned to the LSC by 30 November 2009. **CW**
- 11.0 Performance indicator**
Received: a verbal report from the Finance Director and the General Secretary on the performance of the external auditors and the internal auditors during 2008/09.
Noted: the external auditors, Tenon, had conducted their second audit at Ruskin this year. The process had gone well and their performance was good.
Noted: the internal auditors, Knox Cropper, had performed well. Their reporting had improved and the reports on the capital project had been very good. Their planning of audit visits could be improved.
- 12.0 Appointment of financial statements auditors for 2009/10**
Agreed: to recommend to the Governing Executive the appointment of Tenon as financial statements auditors for 2009/10.
- 13.0 Dates of meetings in 2009/10**
Agreed: the following dates :
 26 March 2010 at 11.00am (subject to confirmation)
 11 June 2010 at 11.00am