

EXETER COLLEGE FURTHER EDUCATION CORPORATION

AUDIT COMMITTEE

Minutes of the meeting held on Wednesday 3 December 2014 in the Board, Hele Road, Exeter College

Present David Allen Chair
David Batho
Matt Roach
From Item 4 Elaine Hobson

Observers Dave Underwood

In Attendance

All bar item 4.6 John Laramy Vice Principal
Mark Bartlett Grant Thornton
Paul Putnam Grant Thornton
All bar item 4.6 Steve Campion Executive Director Finance and Enterprise
All bar Item 4.6 Juliet Tremeer Head of Finance
Barbara Sweeney Clerk to the Corporation

Apologies Richard Atkins
PriceWaterhouse
Coopers

1. **Welcome Apologies and Declarations of Interest** **Action**

The Chair welcomed colleagues to the meeting which was the annual meeting at which the Committee considered the Audit Findings and Letter of Representation relating to the Statutory Accounts, for recommendation to the Board. He particularly welcomed Mark Bartlett and Paul Putnam, Grant Thornton and Dave Underwood, who was attending as an observer in anticipation of his appointment to the Committee by the Board. Given his expertise in IT, the Chair invited his contributions to the meeting.

Apologies were received. Since there were no internal audit reports, apologies were received from PriceWaterhouseCoopers.

David Batho declared an interest in item 5.2 as ICT manager at the College.
2. **Minutes**
- 2.1 The minutes of meeting held on 1st October 2014, as circulated, were agreed and signed by the Chair.

2.2 The confidential minutes of meeting held on 1st October 2014, as circulated, were agreed and signed by the Chair.

3. **Matters arising**

3.1 Board Decisions

The report advising what Board actions had been taken on the recommendation of this Committee was received and noted.

All other matters had been completed or were covered elsewhere on the agenda.

4. **Financial Statements - Confidential**

4.1 Audit Findings Report

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

4.2 Financial Statements - Exeter College

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

4.3 Financial Statements – Aplus Training (SW) Limited

The confidential report was received for information.

4.4 Financial Statement - Ecole Limited

The confidential report was received for information.

4.5 Letter of Representation

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

College Managers withdrew for Item 4.6

4.6 Governors' Only Item with Auditors

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

5. **Internal Audit Action Plan**

5.1 Progress Update

The report was received. Juliet Tremeer, Head of Finance, confirmed the completed actions from 2013/14 and updated the Committee on progress towards the one still to be achieved, which related to purchasing and creditors. This would be addressed with the introduction of a new finance system by August 2015. Until implemented, the low priority action would remain. Three actions had been brought forward to 2014/15 relating to subcontractor arrangements. All were now completed, following review of processes by the newly appointed Head of Business Solutions.

Juliet updated the Committee on the schedule of reviews in 2014/15.
The Committee agreed to

a) Note the report.

b) Remove completed actions

BHS

- 5.2 Update on actions following Security Analysis Report
This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

6. Risk Management

- 6.1 Annual Report to Corporation
The report was received. Steve confirmed that the Annual Report summarised the activity relating to risk management for the year, and was for recommendation to the full Board. He confirmed that it highlighted the risk management policy and framework and the College Risk Register, which was mapped to each of the Board's sub committees. Faculty Risk Registers were the same format and reviewed at the Quality and Resource Review days.

Under the new Joint Audit Code of Practice (JACOP), it was no longer a requirement to have an Internal Audit Service. However, the College had taken the decision that this provided assurance and had agreed to continue with the current service, which was 3 years into a five year agreement. The Committee agreed to:

Recommend the Risk Management Annual Report to the Corporation Board for approval at its meeting on 12^h December 2014.

BHS

Vote: unanimous

- 6.2 Risk Management Update
The report, including the risk register and risk heat map, was received. Steve confirmed that the risk register was reviewed termly by the Senior Leadership Team ahead of the scheduled Audit Committee meetings. Although mainly unchanged at the last review, he update the Committee on the changes, providing the rationale for decisions. He highlighted the significant issues and the Committee confirmed that it was satisfied with the probability and impact ratings. The Committee considered Senior Leadership Capacity and there was an update on the impact of the Principal's AoC Presidency. There was also a brief update on the progress of Aplus.

The Committee agreed to

Recommended the Risk Register and Risk heat Map to the Board BHS

Vote: unanimous

7. **Audit Committee Annual Report to Corporation**

The paper was received and the Committee considered the draft report which would be presented to the Board in order for it to confirm in the Financial Statements the adequacy and effectiveness of the College's system of risk management, controls and governance process. The Committee agreed that the report was an accurate reflection of the work of the Committee during the year and that it was happy to endorse the draft conclusions. It agreed to

Recommend the Audit Committee Annual Report to the Board for approval at its meeting on 12th December 2014. BHS

Vote: unanimous

8. **Dates of Next Meetings**

Wednesday	11 th March	2015
Wednesday	17 th June	2015