

Minutes of the Audit Committee of the Governing Body of Carmel College held on Tuesday, 29 September, 2009 at 10.00 am



carmel
college

Present: Miss Kath Boullen
Mr Brian Coxhead (Chair)
Mr Donal McCormack

College Personnel: Mr Robert Peacock, Principal
Mrs Michelle Williams, Director of Resources

In attendance: Ms Sue Harris, Internal Auditor, Baker Tilly
Mr John Perry, Clerk
Mrs Alison Fishwick, Minuting Clerk

1. **Declarations of Interest**

None.

2. **Apologies**

Apologies were received from Fr. Paul Glover and Mrs Carole Williams.

3. **Minutes of the Meeting of 24th November 2008**

The Minutes were agreed as a correct record and signed by the Chair.

4. **Matters Arising**

Agenda Item 8 - Future Agenda Items

The Committee reiterated their wish to add **Audit Implications of the New Build** to the regular Agenda items. At this juncture, the Chair on behalf of the Committee wished to express his appreciation of the work carried out by both the College Project Sponsor and Clerk of Works since the beginning of Phase 1.

5. **Audit Committee Annual Report 2008-09**

The Internal Auditor informed Governors that all reports submitted received a good level of assurance. The overall conclusion needs recording in the Annual Report as well as inclusion of Student Records both of which have been omitted. It was pointed out that the Student Record report had not been considered by the Committee in the year in question.

The Committee discussed the Vacancy on the Committee which has been available since April 2008 and whether a 'volunteer' could be attracted from the Personnel & Quality Assurance Committee. The Clerk confirmed that a member could serve both Committees if they wished. It was also noted that another vacancy has arisen for a Foundation Governor with the retirement of Canon Leo Stoker.

Miss Kath Boullen volunteered to contact a number of external accountancy firms who may wish to nominate an employee to serve on the Committee as a training opportunity. The Committee approved this proposal and the Clerk agreed to produce a draft letter.

At this juncture, Governors highlighted the mixed use of Mrs Williams' title, sometimes she is referred to as Director of Resources, other times as Director of Finance and it was suggested

that this should be finally clarified. The Principal explained how the title 'Director of Resources' was more applicable to the role and responsibilities undertaken but members often identify more closely with the title of 'Director of Finance'. It was agreed to refer this matter to the Remuneration Committee.

The Clerk was authorised to make the necessary amendments to the draft Annual Report and it was approved by the Committee.

6. Annual Report of the Internal Auditor 2007-08

The Internal Auditor referred the Committee to Page 1 and 2 of the report which itemised all areas examined by the Internal Audit Service as providing good levels of assurance. The overall opinion from the Audit Service was that they were *"satisfied that sufficient internal audit work has been undertaken to allow us to draw a reasonable conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes. In our opinion Carmel College had adequate and effective risk management, control and governance processes to manage the achievement of the College's objectives"*.

The Internal Auditor referred to Page 4 of the report which showed that a total of 21 days had been delivered against a plan of 22; that 90% of the staff were qualified with 10% part-qualified/trainee staff and that the internal audit service complied with the Government Internal Audit Standards and the requirements of the Audit Code of Practice.

The Internal Auditor referred to Page 5 of the report which detailed the number of control weaknesses identified adding that, although there are more *Low Risk* recommendations than last year (12 as oppose to 8), the College still provided good levels of assurance.

The Principal enquired as to whether it was unusual to receive all good levels of assurance and should the College be concerned about an increase in the number of control weaknesses? The Internal Auditor responded that it was unusual to receive all good levels of assurance and that the increase in the number of control weaknesses are points for 'development' not 'control weaknesses'.

Governors noted the contents of the report.

7. Student Admissions 2008-09

The Internal Auditor referred to Page 2 of the report which states that in the opinion of the Internal Auditors *"... the controls in place, as currently operated, provide good assurance that risks material to the achievement of the objectives of the system are adequately and effectively managed."*

Governors noted the recommendations detailed in the Action Plan on Page 16, the Internal Auditor explained that three of the recommendations refer to being more efficient:

Ref:

- 2.4.1 Reviewing of reporting functions within the applications database to improve the efficiency of reporting and to ensure that accurate and timely information is available for schools.
- 2.2.2 Data Checking Sheet for the 2010 intake to include "data of input" box to be stamped when the information is inputted on to the Database.
- 2.3.1 Interviewers to be reminded about the importance of completing ALL sections of the Application Form.

The Director of Resources explained that 2.3.1 this refers to the preliminary interview stage. Governors also noted that the College have recently moved to a new Management Information System and in the future the Admissions Department will be able to identify their reporting needs.

Governors noted the report.

8. Internal Auditor's Proposed Allocation of Work in 2009/10

The Internal Auditor reported that *Educational Trips and Visits*, *Legislative Requirements and Quality Assurance Processes* have been added to the plan for the next three years following discussions with the Director of Resources and the Clerk.

The Internal Auditor referred to the revised number of days from 3 to 2 for *Corporate Governance and Risk Management* as both have good levels of assurance and it was felt the allocation could be reduced.

Governors agreed to the removal of *Fixed Assets including Insurance* for the interim to allow time to look at other areas.

In respect of *Student Records* (where 4 days have been allocated) a decision will need to be made as to what aspect will be reviewed.

The Internal Auditor referred to Page 4 which showed the same number of days allocated for 2009/2010 but the reviews are more 'interesting'.

The Director of Resources expressed some concern over the *IT Review* taking place in October bearing in mind the upheaval of the IT infrastructure over the past few months. Governors agreed to the *IT Review* being moved back to December 2009 and the *Educational Trips and Visits* being brought forward to October 2009.

Governors requested that "Previous Audit Coverage" be included on all forms and all high risk areas should be reviewed annually; high risk areas include *Capital Projects* and *Cash & Treasury Management*. The Internal Auditor explained that the scope of last year's Capital Project review referred to the 'reporting' of capital projects, the next review will be about the 'management' of capital projects. The Internal Auditor suggested deferring Human Resources (as payroll was reviewed last year and recently IIP looked at Staff Development) and replace with Capital Projects. **Governors approved this.**

Governors approved the report.

9. Progress Report on Items Raised in Earlier Reports

Governors noted the two recommendations arising from the Reports had been dealt with: One medium risk recommendation from the *Internal Audit on Capital Projects 2008/09* and one low risk recommendation from the *Internal Audit on Payroll*.

Governors noted the report.

10. Review of the Committee's Terms of Reference

Noted that under **Point 4 of Audit Committee - Remit** the words *(ISR) system* should now read *(ILR) system*.

The Committee agreed to recommend the following amendment to the Governing Body:

Under 16 (a) Membership - Governors agreed to recommend changing the wording to "The Audit Committee shall consist of 5 members of whom at least 3 shall be governors" and 'The Quorum shall be 3 members, 2 of whom should be Governors".

Governors also wished to recommend setting up cyclical targets of three or four years and having this recorded accordingly.

The insertion of " Risk Management" at the end of the first sentence in Point 13 of the Remit. The Internal Auditor added that this was also omitted from *Paragraph 8 Conclusion* of the Annual Report and needs inserting.

11. Committee to consider if there are any other areas of work it wishes to undertake in 2009-10

As discussed earlier in the meeting, Governors wished to include *Capital Projects* and *Cash & Treasury Management*.

12. Date of Next Meeting

Tuesday, 24 November, 2009 at 10.00 am.

Miss Kath Boullen gave her apologies for this meeting.

Signed by the Chair:

On this day: