

Minutes of the Audit Committee of the Governing Body of Carmel College held on Tuesday, 30 September, 2008 at 10.15 am



carmel
college

Present: Mrs Kath Boullen
Mr Brian Coxhead (Chair)
Fr Paul Glover
Mr Donal McCormack
Mrs Carole Williams

College Personnel: Mr Nick Burnham
Mrs Michelle Williams

In attendance: Mr Peter Mills, Internal Auditor (Baker Tilly)
Mr John Perry, Clerk
Mrs Alison Fishwick, Minuting Clerk

1. Declarations of Interest

None.

2. Apologies

There were no apologies.

3. Minutes of the Meeting of 3 June, 2008

The Minutes were agreed as a correct record and signed accordingly.

4. Matters Arising

There were no matters arising.

5. Audit Committee Annual Report 2007-08

The Annual Report which the Committee is obliged to present to the Full Governing Body is a summary of the work carried out last year. **The Committee agreed that on the evidence reported to it in 2007-08 that there was sufficient evidence to support the statement under Point 8 that *“The Audit Committee believes that the College’s internal control systems are adequate, sound and reliable”*.**

6. Annual Report of the Internal Auditor 2007-2008

The Internal Auditor referred to Page 1 Para1.3 of the Report which states that their *“follow up work and review of the College audit monitoring procedures have shown that management have taken or planned appropriate and timely action to implement our recommendations.”* Internal Auditors were pleased that Auditor’s recommendations have been taken on board by College management.

All areas audited by the Internal Audit Service gave very good levels of assurance either *Good Assurance* or *Satisfactory*.

Governors noted Para 1.5 and Para 1.6 of the Report which gave the Internal Auditor's broad opinion that "*Carmel College has adequate and effective risk management, control and governance processes to manage the achievement of the College's objectives*".

Governors enquired about the percentage of qualified staff and that in an educational establishment such as Carmel this low percentage of qualified staff would not be a desirable statistic. The Internal Auditor explained that some of the auditors assigned may be under training but key personnel have the experience of the institution over a number of years and develop an understanding of the systems in place. This percentage of the time of each category of auditor was detailed as required at the tender stage of Auditor services but the actual allocation arose from understanding what a reasonable benchmark for qualified staff should be to complete the work effectively..

Governors asked about Baker Tilley's view on rotating staff. The Internal Auditor responded that they operate a rotating system every seven years.

It was noted that '*Individualised Student Record*' as stated in Audit Committee Purposes paper should read '*Individualised Learner Record*'.

Governors noted the report.

7. Internal Auditor's Proposed Allocation of Work in 2008-09

The plan focuses on the current year 2008/09. Governors noted that other than *Capital Project* all other systems audited form part of the general audit cycle.

Governors enquired as to what a Payroll audit encompasses. The Internal Auditor responded that they would look at the system for setting up new employees, leavers' procedures and calculations, in-month checking of individual adjustments and reconciliation. Governors noted that currently 71% of income goes on payroll; the benchmark is around 70% however, the Vice Principal explained that it was difficult to compare like for like as some institutions may not have in-house cleaning for example.

Governors noted the report.

8. Progress Report on Items Raised in Earlier Reports

In respect of point 2 in the summary, Governors noted that the Finance, Estates & Marketing Committee had recommended that the Financial Regulations be reviewed every two years.

Governors noted the current position.

9. Committee to consider if there are any other areas of work it wishes to undertake in 2007-08.

The Clerk reminded Governors that they have the statutory power to investigate any aspect of the College should any facet fall under suspension of mis-management or poor performance. The Committee's responsibility is to

ensure solvency of the College and protect its assets. The Internal Auditor at this point explained to Governors the roles of both Internal Auditors and External Auditors.

There were no other areas of work the Committee wished to undertake in 2007-08.

10. Any Other Business

- (a) Governors asked at what point would Auditors intervene at the College. The Internal Auditor explained that the responsibility lies with College Managers and Governors to identify at what point things have started to go wrong, usually the Finance, Estates & Marketing Committee ensure everything is on track; the Auditors are put in place to support the institution and to investigate how and why the system or process has broken down.
- (b) The Chair of the Audit Committee gave his apologies for the next Full Governing Body meeting.
- (c) The Clerk wish to confirm with members whether they were happy with the timing of the meeting. All members expressed their approval of the timing. Mrs Kath Boullen kindly offered the facilities of St. Helens Chamber for future meetings if required.

Signed on this day:

By the Chair: