

# BARTON PEVERIL SIXTH FORM COLLEGE

## Audit Committee

Minutes of Meeting held on  
Tuesday, 1 November 2016 at 5.30 pm

**Present:**

Mr P Boote (Chair)  
Mr D Blenkarn  
Ms D Collins  
Mr A Jackman

**In attendance:**

Mr M Chart (Assistant Principal (Finance and Resources))  
Mr G Miles (Director of Finance)  
Mrs J Miles (Clerk and PA to the Senior Leadership Team)  
Mr I Sharp (TIAA)  
Mr R Bott (Mazars)

to 6.12 pm  
to 6.12 pm

**Apologies:**

Dr D Robinson  
Mrs V Davies (TIAA)

**Absent:**

None

		Action
<b>285</b>	<b>Preliminaries</b>  The Chair welcomed the Auditors Mr Bott of Mazars and Mr Sharp of TIAA, who was attending in place of Mrs Davies.	
<b>286</b>	<b>Declaration of Interests</b>  No member of the Committee had anything to declare relating to the items on the agenda.	
<b>287</b>	<b>Confidential meeting with the Internal and External Auditors</b>	
<b>287.1</b>	The Assistant Principal (Finance and Resources) (APFR) and the Director of Finance (DF) left the meeting for a few minutes and the Chair asked if the Auditors' had any concerns or issues to report.	
<b>287.2</b>	No issues were raised. The External Auditor, Mr Bott, noted that this was the first time he had been present at Barton Peveril to present the accounts. The Internal Auditor, Mr Sharp stated that co-operation from College staff was good.	
<b>287.3</b>	The staff managers returned to the meeting.	

**288 Equality and Diversity Issues arising from the Agenda**

Members were reminded of the need to consider Equality and Diversity issues when discussing items on the agenda.

**289 Minutes**

**289.1** Minutes of the meeting held on Tuesday, 14 June 2016 were approved and duly signed by the Chair.

**289.2 Matters Arising from the Minutes**

Matters arising had been actioned, were ongoing or were on the agenda for the meeting other than the presentation on Marketing which would be carried over to the next meeting due to the Marketing Manager being on leave.

**289.3** The updated Action Points sheet would be kept as part of the Committee's records.

**290 Internal Audit**

**290.1 Internal Audit Report**

Mr Sharp presented the TIAA reports. All system checks had been completed for the final Internal Audit Annual Report for 2015-2016. The Chair noted the assurance for Health and Safety was 'Reasonable'.

**290.2 Internal Audit Follow-up Final Report**

The follow-up report was a summary of the work done through the year and the Audit opinion on that work. The plan in Annex A and agreed by the Committee had been delivered. Page 5 summarised the assessments with two being 'Substantial' and five 'Reasonable', thus giving comfort that the appropriate controls were in place and being operated at a high level.

**290.3** Members asked about the frequency of 'substantial' assessments and Mr Sharp confirmed that an extra review had to be carried out if a certain number of 'substantial' assessments were awarded. The Chair asked if any other colleges were receiving 'substantial' for Health and Safety and it was pointed out that when a full Health and Safety review was carried out the assessments were usually 'reasonable' as there were always some issues. The Chair was keen to achieve a 'substantial' in this area and hoped that with added-value from the Auditors this could be achieved. It was noted that Safeguarding and Risk Management, which underpinned Health and Safety, had both achieved 'Substantial'.

**290.4** The October visit fieldwork had been completed and the report would be on the agenda of the March meeting.

**291 External Audit**

**291.1 External Audit Findings Report, including Financial Statement and Regularity Audit Final Opinion (including draft Letters of Representation)**

Mr Bott presented the draft report, highlighting:

- the executive summary

Clerk

- timings
- the financial health of the College
- no significant findings
- the audit opinion concurred that the College was a ‘Going Concern’
- no issues were raised
- in FRS 102 SORP Conversion there was one possible adjustment on holiday pay for Support Staff but it was only a matter of hundreds of pounds not thousands and therefore deemed to be immaterial
- pensions had been benchmarked against other educational institutions with a July year-end
- there were no errors throughout the engagement
- with regard to Internal Controls there was one Level 3 recommendation, Management Responses were satisfactory and the Regulation was amended
- the College was now considering cashless vending
- covenants were covered

**291.2** Mr Bott added that no mistakes had been identified and pointed out that it was rare not to find some mistakes so this was commendable. The Representation Letter was standard. The audit had gone very well. Mr Bott tabled an information paper from his firm on the subject of Fraud.

**291.3** The chair thanked Mr Bott for a good report.

## **292 The College as a ‘Going Concern’**

**292.1** The APFR presented his paper regarding the College as a ‘Going Concern’. He highlighted:

- the revised budget figure being better than that predicted in June
- increased recruitment which would affect the following year’s income

**292.2** Members noted the content of the paper.

## **293 Corporation’s Draft Annual Report and Financial Statements**

**293.1** The APFR presented the draft report reminding members that this was the second year that a section to set the context of the report had been included. It was pointed out that:

- in the previous year the Strategic Plan and Key Performance Indicators were published late and so some numbers needed to be updated – these would be completed before the date of the Corporation meeting
- an early analysis of the Staff Satisfaction Survey was included
- Value-added was not as good as it was hoped it would be
- a slight adjustment could be made to AS Level as ALPS had been recalculated following re-marks resulting in a slight improvement (Strategic priority 4, KPI 6)
- the Auditors confirmed Barton Peveril as a thriving, financially healthy College

**293.2** Members asked questions regarding:

- the date interest was payable
- fundamental restructuring costs
- key Management personnel disclosure on page 40

**294 Audit Committee’s Annual Report to Corporation**

**294.1** The Chair presented his draft report which picked up changes through the year such as:

- the review of Top Ten Risks
- presentations to Committee
- Health and Safety aspects
- the appointment of the new Health and Safety officer

**294.2** The Auditors’ assurances were listed and the smooth transition of the External Audit Manager was noted. Members approved the report which would be on the agenda for the December Corporation meeting.

**295 Health and Safety Committee’s Annual Report**

**295.1** The APFR presented the Health and Safety Committee’s report which had been compiled by Mr Paul Munday, the Acting Facilities Manager and new Health and Safety Officer (H&SO). First Aid incidents were presented more simply. There was a significant change in mental health issues. The APFR also pointed out that the Internal Auditors had given a ‘Reasonable’ assurance on Health and Safety in the College.

**295.2** In answer to a question the APFR confirmed that there had been no claims against the College. The College provided good induction, especially for PE and Science. The H&SO was reviewing the robustness of risk assessments with Directors.

**Agreed Action**

**Mention of encouraging a consistent approach to Risk Assessments and the diminishing number of accidents and incidents would be added to the report before presentation to the Corporation**

APFR

**296 Outstanding items from previous Audit Reports**

**296.1** The APFR reported progress on the outstanding items from Internal Audit Reports:

- 1 the overarching policy was ready to be considered by the Senior Leadership Team
- 2 all information regarding emergency evacuations was being recorded on-line
- 3 the spreadsheet for minibus drivers was in place
- 4 the new on-line ordering system was in use

**296.2** Mr Sharp and Mr Bott left the meeting at this point.

**297 Review of Internal Audit**

**297.1** The APFR explained the contractual arrangements with the Internal Auditors TIAA and pointed out the good working relationship that TIAA had with the College. Colleges were no longer obliged to employ Internal Auditors but the Audit Committee had previously decided that retaining them gave an additional level of assurance. One option was to reduce the number of days of Internal Audit and have more focussed in-depth audits, possibly on the more risk-prone areas and those that currently have ‘Reasonable’ assurance.

**297.2** Members discussed the valuable contributions made by TIAA and the options laid out in the paper in terms of:

- assurance provided
- their contribution to the appropriateness of the Risk Register
- the reliance the External Auditors place on the work of the Internal Auditors
- value for money

**Agreed Action**

**Members unanimously AGREED to recommend to Corporation the proposal in Option 2 in the paper to extend the current contract with TIAA for a further year and for the APFR to enter discussions on reducing the number of days for 2017-2018**

APFR

**298 Tendering of External Audit Service**

Members discussed the options for the External Audit service contract and noted the excellent work from Mazars and the good working relationship with the College.

**Agreed Action**

**Members unanimously AGREED to recommend to Corporation the proposal in Option 1 in the paper to extend the current contract with Mazars for a further year**

APFR

**299 Committee Business**

**299.1 Health and Safety Governor's Report**

The Chair had attended the Health and Safety Committee meeting in October and a visit had been made to the PE Department as part of the programme of visiting all areas of the College.

**299.2** The Chair and the APFR were going to visit the Theatre after the meeting to check that standards were being maintained.

**300 Standing Items**

**300.1 Risk Register (changes by exception) and Emerging Risks and including Top Ten Risks**

There was nothing to report on the Risk Register.

**300.2 Confirmation of expenses claimed**

An expenses claims form had been signed.

**301 Information Exchange**

There was none.

**302** *Date of next meeting: Tuesday, 21 March 2017 at 5.30 pm in the Conference Room*

The meeting closed at 6.37 pm.