

MOULTON COLLEGE FEC

AUDIT COMMITTEE

Minutes of the Meeting held on Monday 12th July 2010

Part 1

Present: Mr M Thomson (in the Chair), Mr A Clarkson, Mr J Newton

In Attendance: Mr I Borley, Mr R Chapman, Mr J Mair, Mr C Moody,
Mr G Norris, Mr M Wilkinson

10/10 Apologies for absence (agenda item 1)

Apologies for absence were received from Mrs J Charlton-Jones, Mr J Hoskinson, Mr W Lumsden and Ms E Olson-Williams.

10/11 Minutes of the meeting held on 19th April 2010 (agenda item 2, paper A)
The minutes were accepted as a true and correct record.

10/12 Matters Arising (agenda item 3)
There were no matters arising.

10/13 Internal Audit Report – May 2010 (agenda item 4, paper B)

a) Catering and Accommodation

No recommendations had been made.

b) Communications

No recommendations had been made.

c) Computers

No recommendations had been made. The testing schedule for the disaster Recovery Procedures would be examined at a future audit.

d) Purchases and Creditors

Two low priority recommendations had been made. The first was to show a new supplier's preferred credit terms on the new supplier form. The second was to include a value for money statement in the next revisions of the Financial Regulations and Procedures. These would be implemented. Following discussion, *the report was noted*.

e) Stock – Garden Centre

Eight medium and 4 low priority recommendations had been made. The medium priority recommendations were:

1. to review procedures to ensure that goods are not booked in twice. This would be carried out.
2. to review and resolve negative balances on stock sheets on a monthly basis. This would be added to a weekly checklist.
3. to ensure that the Garden Centre Manager enters stock take amendments

onto the system or documents his authorisation of these. A process would be put in place to document the authorisation of changes.

4. to enter free stock onto the system in the same way as other stock. This would be implemented.

5. to reduce the quantity of stock, particularly for outdoor furniture items. This would be implemented.

6. to reduce the range of goods available where there is a large variety, particularly in chemicals and including different pack sizes. The range of makes would be reduced but a choice of sizes was required.

7. to ensure the appropriate level of authority is gained before an order is made. This would be rectified.

8. to set minimum re-order levels on the system. An appropriate system would be developed.

The low level recommendations were:

1. to omit expected quantities from stock count sheets. This would be trialed.

2. to remove damaged items from stock on the system immediately. This would be implemented.

3. to record items low in stock in a book together with details of the date goods are ordered, the due date for delivery and confirmation of delivery. This should be done through the proforma order book.

4. to train staff more fully in the use of the software. This would be implemented. Following discussion, *the report was noted*.

f) Stock – Coffee Shop

No recommendations had been made.

10/14 Internal Audit Plan 2010-13 – year 1 (agenda item 5, paper C)

The new plan for 2010-13 was outlined and discussed. 250 hours of work was planned for each year. In 2010-11 the 20 hours for an audit of risk management would include a check on the high level risks. Value for money was not specifically audited but would be covered in procurement and payment. There was a possibility that shared systems may be introduced in future and these would be audited at an appropriate time. Following discussion, *the plan was approved for recommendation to the Board*.

10/15 Audit Action Plan (agenda item 6, paper D)

Progress with items in the report was discussed. No items were currently overdue for completion. Following discussion, *the report was noted*.

10/16 Risk Management (agenda item 7, paper E)

The report was discussed. All risks would be reviewed in detail in October, by which time government policy may be clearer. The new work experience procedures would be implemented in September and audited in March 2011. Following discussion, *the report was noted*.

Robin Chapman left the meeting.

10/17 Audit Strategy and Planning Memorandum (agenda item 8, paper F)

The approach for the 2010 audit was outlined and discussed. The College had recently had a clean Provider Financial Assurance funding visit, and

therefore the likelihood of an audit of Adult and Employer Responsive funding this year should be reduced as these audits were 'risk-based'. Following discussion, *the report was noted*.

10/18 Date of next meeting (agenda item 9)

The next meeting would be held on Monday 22nd November 2010 at 4.00pm.

10/19 Any other business (agenda item 10)

There was no other business.

Part 1 of the meeting concluded. Gareth Norris left the meeting.

MOULTON COLLEGE FEC

AUDIT COMMITTEE

Minutes of the Meeting held on Monday 12th July 2010

Part 2

Present: Mr M Thomson (in the Chair), Mr A Clarkson, Mr J Newton

In Attendance: Mr I Borley, Mr J Mair, Mr C Moody, Mr M Wilkinson

10/6 Apologies for absence (agenda item 1)

Apologies for absence were received from Mrs J Charlton-Jones, Mr J Hoskinson, Mr W Lumsden.

10/7 Minutes of the meeting held on 19th April 2010 (agenda item 2, paper A)

The minutes were accepted as a true and correct record.

10/8 Matters Arising (agenda item 3)

There were no matters arising.

10/9 Any other business (agenda item 4)

This was John Newton's last meeting. The Chairman thanked him for his contribution to the work of the Committee.

Part 2 of the meeting concluded. College staff left the meeting.