

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

AUDIT COMMITTEE

Minutes of the meeting held on 4 October 2011

Membership: M Ray
*M A-Messaoud (to end 521)
*P Bartlett (Chair)
**denotes present* V Goddard
M Prodger

In attendance: R Allanach, Deputy Principal (Finance)
Dan Harris, RSM Tenon
C Hindmarch, Principal
D Sheridan, Clerk to the Corporation

515 Apologies for absence

Apologies for absence were received from Myrtle Prodger and Mick Ray. Mo A-Messaoud apologised for the fact that he would have to leave early as it was his team's observation week.

The Committee noted that auditors from Baker Tilly had been invited to the meeting but had declined to attend in this instance.

516 Declaration of Interests

There were no declarations of interest.

517 Minutes of the Previous Meeting

The minutes of the previous meeting held on 21 June 2011 were approved as a correct record and signed by the Chair of the meeting.

518 Matters Arising from the Minutes

518.1 Key Financial Controls – Minute 5.6.2 refers

The Audit Committee noted that the Key Financial Controls follow-up audit had been undertaken and was included within the audit reports for consideration.

519 Internal Audit Reports

519.1 Governance and Risk Management (8.10/11)

The Audit Committee received and considered the internal audit report on Governance and Risk Management which was still a draft report. After discussion it was agreed that the College and RSM Tenon should finalise the report for consideration at the next meeting of the Audit Committee.

AGENDA ITEM:

519.2 Management Information (9.10/11)

The Audit Committee received and considered the internal audit report on Management Information which gave governors substantial assurance that the controls upon which the college relies are suitably designed, consistently applied and effective. Governors noted the two recommendations and two suggestions.

The Audit Committee approved the internal audit report on Management Information.

519.3 Follow up of Previous Internal Audit Recommendations (3.10/11)

The Committee received and considered the Follow-up Audit of Previous Internal Audit Recommendations which demonstrated that adequate progress had been made in implementing actions agreed to address internal audit recommendations.

Governors noted that RSM Tenon had followed up 25 recommendations made in earlier audits and had identified that a number of recommendations had not yet been implemented. These recommendations had been reiterated in the report with 14 carried forward for review in the future.

The Audit Committee approved the internal audit report on the Follow-up Audit of Previous Internal Audit Recommendations.

519.4 Follow up of Previous Internal Audit Recommendations Key Financial Controls (1.11/12)

The Committee received and considered the follow-up audit report on Key Financial Controls which demonstrated that adequate progress had been made in implementing actions agreed to address internal audit recommendations.

Governors noted that RSM Tenon had followed up all 12 recommendations made in the earlier audit and identified that there are no high or medium recommendations that were receiving inadequate management attention. Five recommendations, whose implementation was on-going, would be carried forward for further review.

Governors considered the recommendation 1.4i concerning administrative rights/access restrictions on the ledger system and agreed that a further recommendation to be that staff have individual log-in access in order that the audit trail can be identified. The Committee asked that this be included within the recommendations and tracker report.

With this amendment, the Audit Committee approved the follow-up audit report on Key Financial Controls.

520 Internal Audit Tracker Report

The Audit Committee received and approved the Tracker Report.

521 Risk Register

The Audit Committee received and considered the Risk Register. Richard Allanach drew Governors' attention to additions and deletions made since it was last considered by Governors.

Whilst noting risk H (Team of staff engaged in academic fraud), the Committee asked that risk C be amended to "More than one member of staff exposed as engaged in academic fraud". Governors discussed this risk and its control measures.

The meeting discussed risks concerning the 'hacking' of the College IT networks and noted that network security would be the subject of an internal audit.

With these amendments, the Audit Committee approved the Risk Register.

At this point Mo A-Messaoud had to leave the meeting and the meeting of the Audit Committee became inquorate.

Dates of Future Meetings

Wednesday	7 th December 2011	08.30am
Tuesday	6 th March 2012	08.30am
Tuesday	19 th June 2012	08.30am