

confirmed

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

Minutes of a Meeting held on Wednesday 16 March 2011 at 5.00pm

Membership:	* Charles Cardiff	Member	Chairman
	* Andrew Bishop	Member	
	* Lynden Jones	Member	
	* Mary Orsborn	Staff Member	
	* Andy Williams	Co-opted Member	
	* Pamela Woolgrove	Member	
Quorum:	3 Members required	6 present at start	Meeting quorate
In Attendance:	% Anthony Bravo	Principal	
	Simon Burrell	Clerk to the Corporation (Clerk)	
	Graeme Clarke	Mazars (Internal Auditor)	
	Chris Mantel	RSM Tenon (Financial Statements Auditor)	
	David Moir	Deputy Principal - Finance & Resources (DPFR)	
	Heather Williams	Head of Finance (HOF)	
	* Present		
	From Minute 244		
	% From Minute 250		

PART 1 – NON CONFIDENTIAL MATTERS

243. PRE MEETING DEVELOPMENT SESSION

The Committee held a 'Members Only' pre-meeting development session.

244. APOLOGIES FOR ABSENCE

There were no apologies received.

245. DECLARATIONS OF INTEREST

There were no Declarations of Interest made by those present.

246. NOTIFICATION OF ANY OTHER BUSINESS

There were no items of Any Other Business notified.

247. MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 24 November 2010 were confirmed as a correct record, and were signed by the Chairman.

248. MATTERS ARISING

There were no Matters Arising discussed.

249. PROGRESS REPORT ON THE IMPLEMENTATION OF RECOMMENDATIONS FROM PREVIOUS AUDIT REPORTS

A written report was received, considered and noted. The DPFR advised that there were only two (2) recommendations outstanding from previous audit reports, one had been completed, and the other was due for completion by June 2011. He advised further that this position had been reached mainly as a result of the change of Internal Auditor and that there was only one report to consider (see next Minute).

Members were very pleased to note the continuing progress achieved on completing outstanding recommendations.

250. INTERNAL AUDIT SERVICE

1. Internal Audit Report – Learner Numbers (01.10/11)

A report was received and considered. The Internal Auditor advised that following his review he had given 'substantial assurance' (second highest ranking) regarding the assurance on effectiveness of internal controls. He had made six (6) recommendations (all graded Priority 3 – Housekeeping) all accepted by College Management.

The report was noted.

(Anthony Bravo joined the meeting)

2. Internal Audit Progress Report 2010/11

A written report was received for information. The Internal Auditor advised that there had been a delay in commencing internal audit reviews whilst waiting for CRB clearance on his staff. However, he advised that they would be back 'on-track' by the next meeting.

It was noted that there six (6) internal audit reports were planned for review at the next meeting. Members requested that in future completed internal audit reports be circulated to them electronically as soon they were ready with hard-copies issued with the agendas for meetings.

ACTION: DPFR/Internal Auditor

The report was noted.

251. APPOINTMENT OF FINANCIAL STATEMENTS AUDITOR

It was noted that, following the presentations undertaken on 11 March 2011, RSM Tenon had been recommended to be reappointed as the College's Financial Statements Auditor with effect from 1 August 2011.

252. RISK MANAGEMENT

A report was received and considered. The DPFR informed Members that three (3) risks had been removed from the Register, and two (2) added i. IT and ii. Property Strategy.

The DPFR advised on the uncertainties regarding enrolments for 2011/12 based on reductions in funding, increases in tuition fees and the withdrawal of EMAs (education maintenance allowances). He advised further that although applications and offers to date were up on the previous year it was too early to assess the impact those matters would have on actual enrolments in Sept 2011.

College Management expressed their concerns that the withdrawal of EMAs would have a serious impact on enrolments. They advised that in the current year some 900 learners (30-40% of 16-18 full-time learners currently enrolled) received EMAs and that whilst learners might initially enrol at the College their potential to withdraw early when they acquired paid work was high.

252. (cont)

In response to a question the DPFR advised that the College received learner support funding and was considering how best to utilise these funds to help the greatest number of learners, but that it could not replace EMAs as there were insufficient funds available to the College. He advised further that the College would look at targeting learners most at risk. The Principal stressed his concern that the withdrawal of EMAs would have a negative impact on retention.

The Principal also outlined how the College was trying to raise additional funds through other mechanism that would then be used for additional subsidised learner activities.

In response to a question from a Member, the DPFR outlined how surplus funds raised through full cost course provision was used within the College. He advised that in order to encourage Departments to undertake such work, 50% of any profit was re-invested within the Department concerned, with the remaining 50% going into the general College budget.

The DPFR took Members through the Risk Register and highlighted the changes made since the last meeting. He updated Members on the reasons behind the changes. With regards to the building project, he advised that following a review in February 2011 the start date had been put back and that a further assessment would be undertaken in March 2011 to review the revised start date.

In response to a question from a Member regarding the operation of the business continuity plan during the recent bad weather conditions, the DPFR advised that it had worked extremely well, and that BCOT was one of the first educational establishments in the area to re-open as soon as was practical.

The report was noted.

253. USE OF COLLEGE SEAL

The Clerk advised that the Seal had not been used since the last meeting.

254. ANY OTHER BUSINESS

There were no items of Any Other Business discussed.

255. DATE OF NEXT MEETING

Wednesday 15 June 2011