

LONGLEY PARK SIXTH FORM COLLEGE

**MINUTES of a meeting of the
AUDIT COMMITTEE
held on 24 SEPTEMBER 2009 at 4.30pm
at the College, Horninglow Road, Sheffield**

Present: Margaret Ferris (Chair)
Alan Hancock
Paul White

Advisors: Martin Standish (Baker Tilly)
Ian Wallace (RSM Bentley Jennison)

In attendance: Janet Brown (Finance Manager)
Sharon Langridge (Clerk to the Corporation)
Trevor Wray (Deputy Principal)

Apologies for absence were received from Max Caley, Mo Nisbet Nisbet (Principal) and Alastair Reid.

Action by

1 DECLARATIONS OF INTEREST

There were no declarations of interest.

2 MINUTES OF THE MEETING HELD ON 7 MAY 2009

The Minutes of the meeting held on 7th May 2009 were approved as an accurate record and signed by the Chair.

3 MATTERS ARISING

There were no matters arising which did not appear elsewhere on the agenda.

4 FINANCIAL SERVICES AUDITORS' AUDIT STRATEGY

Martin Standish presented the Audit Strategy Document and talked Members through the proposed audit plan. He explained that the overall audit environment had remained unchanged in the last year. He advised Members that Baker Tilly did not anticipate any problems on the 'going concern' assumption for the College.

Members considered the key areas of audit focus/risk in detail. They discussed the FRS17 position and noted that there would be a slight reduction on the deficit of the previous year. FRS17 would have an impact on the Income & Expenditure Account and the Balance Sheet.

Members were pleased to note that Baker Tilly and the College staff team had a good working record.

Members queried the proposed fee increase of approximately 2% in light of the current financial climate and the savings being required of the public sector. Martin Standish explained that this reflected costs and the need to

recruit and retain suitably qualified and experienced staff to provide a quality service to clients. He accepted the pressures faced by the public sector and agreed that Baker Tilly would maintain their 2008 fees with the exception of the Teachers' Pension Scheme audit, which had already been conducted and the work invoiced for. Fees for the coming year would therefore be £10,175 excluding VAT.

The Committee **recommended** to the Governing Body that the Financial Statements Auditors' Audit Strategy be approved.

Govs Oct '09

5 **INTERNAL AUDIT ANNUAL REPORT**

Ian Wallace presented the Internal Audit annual report. He accepted that the level of assurance in some areas indicated the impact of the staffing issues encountered by the College during the course of the year and how given the size of some staff teams a small shift could change the balance of the audit view.

The Committee reviewed the benchmarking data. Members queried the number of audits that the figures were based upon. Ian confirmed that there were fewer audits conducted in 2008-09 than in 2007-08. He agreed to follow-up on the advice and good practice guidance promised to the College.

IW Oct '09

The Committee **recommended** to the Governing Body that the Internal Audit Annual Report for 2008-09 be approved.

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6 **STRATEGY FOR INTERNAL AUDIT**

Ian Wallace presented the Internal Audit Strategy for 2009-10.

The Committee confirmed that the proposed scope of the strategy was adequate for the College's requirements.

Members noted that the College had commenced the year with 1430 students, in excess of 500 over the nominal capacity. They agreed that the room utilisation audit should prove interesting as would the strategic planning audit.

The Committee acknowledged that the College would remain a Designated Sixth Form College under the Apprenticeships, Skills, Children and Learning Bill and that its funding would come via the Local authority from April 2010.

The Committee **recommended** to the Governing Body that the Internal Audit Strategy for 2009-10 be approved.

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7 **ANNUAL REVIEW OF EFFECTIVENESS**

The Committee considered the list of the review questions that had formed the basis of the initial reviews in 2007 and 2008.

Members agreed that the terms of reference were compliant with the Audit

