



KINGSTON COLLEGE CORPORATION

Minutes of the Audit Committee meeting
held on Wednesday 25th May 2011.

*(All resolutions passed were the unanimous decision of
the Audit Committee members present unless otherwise stated.)*

Membership:	Mrs. A. Bell	Chair
	Mr. D. Cane	Vice-Chair
	Mr. D. Cheema	
	Mr. A. Hetherington	
	Cllr. S. Mirza*	

** Denotes absence*

In Attendance	Ms. L. Ayling	Director of Finance
	Mr. R. Lowe	Deputy Principal
	Mr. D. Barnes	Grant Thornton
	Mr. G. Clarke	Mazars
	Mr. C. Vickery	Clerk to the Corporation

9. Apologies

Apologies were received and accepted from Cllr. Mirza.

10. Declaration of Interest

Members confirmed that they had no financial or other interest in any item of business.

11. Minutes of the meeting held on 2nd March 2011

The minutes of the meeting were reviewed.

It was **resolved:**

that the minutes of the meeting held on 2nd March 2011 were a correct record and be signed by the Chairman.

12. Matters Arising

The following matters arose from the minutes:

12.1 Combined IT/FM Disaster Recovery Plan (Ref. 6.1(i)/10)

Combined Plan reported to have been finalised.

12.2 Space Utilisation Study (Ref. 6.2(i)/10)

Phase I of the study reported to have been completed.

13. Financial Statements Auditor (Grant Thornton)

13.1 Audit Plan year ending 31 July 2011

App. A

Grant Thornton presented their Audit Approach Memorandum for Kingston College in respect of the year ended 31st July 2011. Members were advised of the methodology being used. The key issues identified within the report together with the other areas of focus were discussed. Members concluded that relevant comparative data on financial performance would be beneficial.

It was **resolved**:
to accept the report.

14. Internal Audit Service (Mazars)

Mazars presented the following reports:

14.1 Core Financial Systems (Ref 03.10/11)

App. B

The audit provided “substantial assurance”. Members were advised of the specific audit findings:

General Ledger - 1 housekeeping issue.
Purchasing and Procurement – 1 significant and 6 housekeeping issues.

Members discussed the identified issues. The advisability of reducing the number of suppliers was recognised.

It was **resolved**:
To accept the report.

14.2 Follow-up (Ref 04.10/11)

App. C

Members discussed the identified issues. There was a focus on those originally classified as “significant” with particular reference to the reported management responses. Members received clarification as to the financial training that was being proposed to be rolled-out.

Mazars advised that they would continue to follow-up and report on all identified issues. It was suggested that the Committee consider establishing its own register of issues to ensure regular reporting.

It was **resolved** that:

- (i) the viability of establishing a register of issues be considered
- (ii) the report be accepted.

14.3 Learner Numbers (Ref 05.10/11)

App. D

The audit provided “substantial assurance”. Members were advised of the specific audit findings:

Learner Numbers – 3 housekeeping issues

Members were advised of the audit findings. It was recognised that this area of operation was the most heavily audited and that it was therefore not surprising that the only findings had been designated as “housekeeping”.

It was **resolved**:
to accept the report.

15. Risk Management Report

App. E

Members discussed the most significant issues identified in the Risk register. They received a detailed explanation of the current issues regarding HE funding. However, they were advised that HE was considered to be an area with long-term growth potential.

It was **resolved**:
to accept the report.

16. Fraud Prevention

16.1 Fraud Report

App. F

The Director of Finance presented a report outlining the 3 new events in the Fraud Register. Two of the recorded events were still under investigation. The most serious of the events had resulted in an arrest being made by the police. Members were assured that procedures were being reviewed to avoid similar future events. The viability of introducing cashless cards was discussed in detail.

It was **resolved**:
to note the report

17. Date of Next Meeting Wednesday 16th November 2011.

Signed:

Date: