

## **Minutes of TRC Corporation Audit Committee Meeting held on Monday 1 July 2013 at 6.00pm**

### **Present**

Ms J Collier (JC) (Chair); Dr R J G Bloomer (RJGB); Mr D Fitzgerald (DF); Mrs A Todd (AT)

### **In attendance**

Mr M Patterson (MP) VP Finance and Resources

Ms A J Oaks (AO) Clerk to TRC Corporation.

JC welcomed AO to her first meeting of the Audit Committee, following her recent appointment as Clerk to TRC Corporation.

### **Actions**

#### **1 Apologies for absence**

Cllr C Barron (CB);

(Meeting quorate)

#### **2 Declaration of interests**

No interests were declared in respect of agenda items; however, members reserved the right to declare an interest at any stage of the meeting.

#### **3 Minutes dated 13<sup>th</sup> March 2013**

The minutes of the meeting held on 13<sup>th</sup> March 2013 were signed without amendment.

#### **4 Matters arising:**

Members noted that all the 'action' points detailed in the minutes had been resolved.

#### **5 IAS items:**

##### **5.1 Internal Audit Report 2013 – Progress Update**

AO referred to the paper distributed prior to the meeting. Members noted that all the recommendations detailed therein had been implemented. There were no issues raised.

**The committee noted the paper as presented.**

#### **6 FSA items:**

##### **6.1 Financial Statements Audit Plan**

MP referred to the paper distributed prior to the meeting. The Committee were informed that the strategy was in line with that for the majority of SF Colleges in the sector. MP referred to a minor amendment on page 5 relating to the Colleges mission statement, which would be changed.

A discussion took place with regard to the level of risk allocated to each of the areas within the report, particularly revenue, which was highlighted in red. The fees for undertaking the External audit of the Financial Statements for year ending 31 July 2013 were noted and accepted.

**The committee noted the paper as presented.**

#### **7 VFM 2013/14 Action Plan & 2012/13 Report**

MP referred to the paper distributed prior to the meeting, which had also been considered by the Resources Committee at its meeting on 24 June 2013. Various aspects within the report were shared with Governors, who sought further clarification on a number of areas.

**The committee noted the paper as presented.**

#### **8 Risk Management:**

##### **8.1 Monitoring Report June 13**

MP referred to the paper distributed prior to the meeting, commenting on the items highlighted in bold. The risk to the College of a further reduction in funding allocations was noted. RJGB acknowledged that it was a national issue affecting all GFE and SFCs. With regard to the VAT position, MP commented that this had been acknowledged by Government as unfair and they indicated they were looking sympathetically at the issue to see if it could be resolved.

**The committee noted the paper as presented.**

##### **8.2 Risk Management Register 2013 / 14**

MP referred to the paper distributed prior to the meeting.

**The committee noted the paper as presented.**

##### **8.3 Action Plan 2013 / 14**

MP referred to the paper and summarised the risks where scores had changed or were significant. The Committee noted 8.6 (Failure to improve Ofsted grade to 2 and L&M from 4) and the action being taken to address this. Governors sought further information as to the new Lesson Observation (LO) and Performance Management systems and staffing in underperforming areas. Governors' emphasis on the importance of rapid improvement in such areas was acknowledged in terms of the risk presented otherwise. It was agreed that Governors comments regarding the LO and performance management Policy should be referred to the Q&S Committee for further discussion.

**The committee approved the Risk Management Action Plan 2013/14 as presented and recommended it to the full Corporation for approval.**

AJO

#### **9 Audit Committee items:**

##### **9.1 EFA Financial Returns letter April 2013**

MP referred to the EFA letter distributed prior to the meeting. Members congratulated MP and his team on the excellent outcome detailed within the letter.

**The committee noted the letter as presented.**

### **9.2 Bank Mandate Signatories [referred from Resources Committee 13/05/13]**

The Committee received a proposal to remove the Chair of the Corporation from the mandate. Following discussion it was agreed that it would be prudent to retain the Chair as an emergency back-up in addition to the three SPH for cheque signatures, and that the details should be amended when the new Chair of the Corporation was appointed.

MP

### **Confidential Minute – 13 March 2013**

The Committee received and noted the Confidential Minute from 13 March 2013. MP confirmed that the College position was unchanged. JC thanked MP for keeping Governors informed.

**The Minutes were signed as a true and accurate record.**

### **9.3 Audit Committee Annual Assessment**

AO referred to the assessment form paper distributed prior to the meeting and asked all committee members [excluding those members 'in attendance'] to return their completed form to her by no later than Monday 15<sup>th</sup> July 2013 [the date of the next full Corporation meeting].

## **10 Any other business**

### **10.1 Cleanmail Solutions item**

MP verbally updated the committee on the current position regarding the Cleanmail Solutions issue.

### **10.2**

The issue of staff leaving meetings when staff issues are discussed was raised . It was noted that occasions would arise when it was appropriate for all members of TRC staff and students to withdraw from a meeting when staffing issues were discussed. Although these occasions would be rare, the importance of maintaining independence and avoiding any perceived conflict of interest was to be upheld, as was usual in other educational establishments. This principle was confirmed with examples from members of the committee.

## **11 Date of next meeting**

TBC

AJO

**Signed** J Collier

Dated: 2 December 2013