

Minutes of the Meeting of the Audit Committee
30th September 2010

Present: Mr D Collins (in the chair)
Mrs M Lippard
Mr B Davies – (in attendance)
Mr P H Martin – (in attendance)
Mrs F Quance – Internal Audit (Price Waterhouse Coopers–in attendance)
Mr S Maunder – External Audit (Deloitte)

Apologies: Mr P Cooper
Mr I Tompkins
Ms L Hine – Internal Audit (Price Waterhouse Coopers)
Mr I Howse – External Audit (Deloitte)

WAG – Accounts Direction to Further Education Institutions for 2009/2010

The Committee noted the Accounts Direction for 2009/2010 which outlined the advice given to Colleges of the Welsh Assembly Governments requirements of the Colleges audited financial statements in accordance with the Financial Memorandum.

Further Education Funding Agreement 2010/2011

Members were informed that to date the Welsh Assembly Government had not yet issued the 2010/2011 Further Education Funding Agreement. The Committee agreed that the matter would be discussed at the next meeting of the Audit Committee on 9th December 2010.

Internal Audit Report 2009/2010 on Core Finance Systems

Felicity Quance, Internal Auditor, Price Waterhouse Cooper discussed the Internal Audit Report 2009/2010 which is the Internal Auditors review of a number of the core finance systems including the general ledger, budgetary control, revenue and receivables and purchasing/payments. The Committee were pleased to note that the assurance level on the general ledger had improved to high assurance from the previous year's moderate assurance. In addition the level of assurance on purchasing and payments had improved from limited to moderate assurance.

Annual Report of the Internal Auditor 2009/2010 together with the Operational Plan 2010/2011

The Committee considered the Internal Audit Report 2009/2010 and Operational Plan 2010/2011 which in essence provided a summary of the internal audit work carried out in the year ended 31st July 2010 and an assessment of the adequacy and effectiveness of the internal control system. Members were satisfied that the internal audit work for 2009/2010 had been satisfactorily completed and that the audit needs of the College had been met. In addition members agreed the work to be carried out by the Internal Auditor in 2010/2011.

The Committee noted that Internal Audit had based their assessment of risk management, control environment and governance processes included in the annual

report, upon the results of internal audits completed during the period in accordance with the Audit Plan. On the basis of the systems audit work carried out Internal Audit concluded that reasonable assurance be given on the College's established procedures to meet management's control objectives for each system audited. Members endorsed the report for submission to the December meeting of the Governing Body.

WAG Audit and Governance Service Final Report on Work Based Learning

Members considered the WAG Audit and Governance Final Report on Work Based Learning and noted that the audit of WBL payments to the College during the period 1st August 2009 to 31st March 2010 had concluded that:

- I. the College has, in all material aspects, applied the WAG's funds in a manner consistent with the purposes for which the funds had been given and in compliance with the conditions attached to the payment of these funds.
- II. that the College has maintained a sound system of internal control over the WBL funds claimed from the Welsh Assembly Government during the period subject to review.