



MINUTES OF THE MEETING OF AUDIT COMMITTEE

Held on Thursday 13th December 2007 at 3:30pm in the Boardroom, Lakes College

PRESENT: Norma Boyes, Mike Davidson and Paul Pharaoh

IN ATTENDANCE: Cath Richardson (Principal), Karen Wilson (Director of Finance and Corporate Services), Hilary Hemm (Clerk to the Governors).

APOLOGIES: Howard Beanland and Carole Carre

DECLARATION OF INTERESTS: None

12/07 DRAFT FINAL ACCOUNTS

The Director of Finance and Corporate Services presented the final financial statements and reports to the Committee for approval and in order that they could recommend the accounts to the Corporation meeting immediately after this Committee. She reported that the External Auditor's management letter would be available and addressed at the next meeting. The letter detailed adjustments to the accounts made during the ~~audit~~ process and made two recommendations which had been accepted by the College.

The Director drew the Committee's attention to the fact that there was a **small** surplus shown for the year when at one time a deficit had been forecast. All College staff had worked very hard to reach this satisfactory position which had been helped by additional LSC funds being received relating to previous years' work. In the light of the healthy position, she would be seeking approval from the Corporation for the release of more capital funding.

She then dealt with a number of queries from the Committee. It was noted that a large increase in planned maintenance was shown. She explained that the College had received consultants' advice during the year that the College should be investing more in the area. ~~was underspending on this.~~ A balance had to be struck as the LSC view on this differed from that of the consultants.

She confirmed that should governors require independent professional advice as set out in the statement of governance and internal control, then their first step would be to consult the Clerk who in turn could call on external professional advice if required to do so.

She also explained the risk and control framework, which included a Risk Management Group set up as a result of a discussion at a previous Audit Committee meeting. This had met and proved very useful already.

It was noted that Paul Pharaoh's name is misspelt in the Accounts and should be rectified next year.

RESOLVED that the Accounts be recommended to the Corporation for approval.

The meeting closed at 4:00pm