

BOSTON COLLEGE

MINUTES OF A MEETING OF THE AUDIT COMMITTEE HELD ON TUESDAY 26 JUNE 2006 AT 3.00 PM

PRESENT

Mr T Lightfoot (in the Chair), Mr D White, Mrs H Wright, Mr A Reynolds (part)

Also in attendance Miss S Hill (Clerk to the Audit Committee), Ms S Daley (Principal), Mrs J Hemmant (Director of Corporate Services), Mr N Walford (Finance Manager), Mr M Riley (Bentley Jennison), Mr M Standish (Baker Tilly)

1 CHAIRMAN

As Mr Reynolds was held up travelling to Boston, Mr Lightfoot was appointed as Chairman of the meeting.

2 MINUTES OF PREVIOUS MEETING

Mr Lightfoot signed the previous minutes as a true record.

VAT Advisers – Mr White asked if a tax adviser had been appointed, but Mrs Hemmant said that they were not in a position to do so yet.

3 INTERNAL AUDIT

i) Corporate Governance

Mr Riley confirmed to the Committee that it was a good report overall with substantial assurance. It was a high risk system which was reviewed annually. Mr Lightfoot asked if there were any recommendations about individual Corporation members' performance, but Mr Riley said that this was not an element of the review.

ii) Management Centre

Mr Riley reported that there were four items which merited attention, all housekeeping issues which had all been accepted and that Bentley Jennison was happy with the management comments. Mrs Hemmant had asked the auditors to look at Boston Conference and Management Centre viability in view of the College moving but it had proved to be difficult to reach any conclusions on this. Mrs Wright asked about figures on usage, and it was stated that was often disappointing although profit depended on how it is calculated. Mrs Hemmant and Mr Walford had been splitting some of the budgets to improve tracking of income and expenditure.

Mr Lightfoot commented that from the report team meetings are held but not minuted. However, Mrs Daley said that meetings should be minuted and then put onto the intranet.

iii) Follow Up Review

Mr Riley said that some items had been reiterated in the report, e.g. write-offs in

canteens still in progress, as the procedure had still not been implemented across the college. The Estates Manager had given assurances that all will be following correct procedures by September 2007. *

iv) Key Financial Systems

Mr Riley commented that there had been substantial assurance and action plan showed both items which had been accepted were minor housekeeping issues. Mr Reynolds was disappointed to see items on international expenditure and commented that this area should be meticulous. Mrs Hemmant said that she would communicate this with the team. *

v) Risk Management

Mr Riley said that this was a clean report with substantial assurance and no recommendations.

4 BAKER TILLY AUDIT STRATEGY

Mr Standish told the Committee that his company was now known as Baker Tilly UK Audit LLP. He went through the document for the Committee and explained that it was the second year that the document had been produced in this format and this year there was only one regularity report. It was the second year of international standards of auditing.

Mr Standish said that the area to focus on was the accommodation strategy. Mr Reynolds asked about the Bank covenants. Mrs Hemmant explained that conditions on both loan are being met. Mr Reynolds asked Mr Standish to report back to the Committee if any issues are identified. *

Mr Standish reported that page 15 related to fees where they were raised more than inflation to cover ISA.

It was suggested that the engagement team is kept as previously to ensure continuity. This was approved.

5 ANY OTHER BUSINESS

Letters of Engagement were given to the Chairman to sign.

6 DATES OF FUTURE MEETINGS

These would be fixed when agreed by Corporation, although it was felt they would mirror previous years.