

## AUDIT COMMITTEE MEETING

Monday 18th February 2019

### HEAD OF FINANCE REPORT

#### 1. Purpose & Introduction

To inform the members of the Audit Committee of developments in the area of audit, risk and finance.

#### 2. Executive Summary

##### 2.1. Internal Audit Report

Attached as **Appendix 1** is the internal audit report on Alternative Funding Sources. There are three minor recommendations, all of which refer to refinements that the College can make to existing controls rather than controls not being present. The College has agreed to implement improvements.

<b>Committee to note the report and approve the Management Responses as being appropriate.</b>
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##### 2.2. Internal Audit – Progress Report

Attached as **Appendix 2** is the Progress Report submitted by Messrs Scott-Moncrieff on work undertaken to date and planned for the year. The Committee should note that Claire Beattie has replaced Claire Stevenson as Audit Manager.

<b>Committee to note the report and the work taking place in the year.</b>
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##### 2.3. Risk Management

Attached as **Appendices 3A, 3B and 3C** are the College summary and detailed Risk Registers as at 5<sup>th</sup> February 2019, plus the commentary thereon. Members should note the work being undertaken in the areas of EU Exit, cybercrime and GDPR.

Attached as **Appendix 4** is the Strategic Risk Report of the Regional Board (RSB). This document was presented to the RSB in December 2018 and includes South Lanarkshire College's Risk Register as an appendix.

<b>Committee to review and note the College's Risk Register and to recommend to the Board of Management. The Committee should also note the Register of The Lanarkshire Board.</b>
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#### 2.4. External Audit for the year 2017/18 – Lanarkshire Region

Attached for reference as **Appendix 5** is the report of the external auditors on the 2017/18 published Regional Financial Statements.

<b>Committee to note the report.</b>
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#### 2.5. Audit Committee Governance

Attached as **Appendices 6A and 6B** are documents issued to August 2018 meeting of the Committee in relation to the 2018 changes to the Audit and Assurance Committee Handbook. Following that meeting, the questionnaire that formed part of the Handbook (Annex H) has been completed, as far as is practicable, by College management in draft form as a starting point for discussion and review by the Committee. This is attached as **Appendix 6C**.

<b>Committee to make arrangements for the completion of the process.</b>
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#### 2.6. Other Audits

Attached as **Appendix 7** is the 2018/19 calendar of work being undertaken by the College's Quality Audit Group. Reports issued by the Group are passed to the Audit Committee.

<b>Committee to note the work being undertaken by the Group in the current academic session.</b>
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#### 2.7. Audit Scotland Technical Bulletin 2018 / 4

Attached as Appendix 8 is the most recent Bulletin from Audit Scotland. Normally the Committee only receive the sectors specific to Further Education and the more general Audit section. This Bulletin, however, has issues in the other sections which may be of general interest to members of the Committee.

<b>Committee to note, in particular, the Cross-sector, College and Professional developments chapters.</b>
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