

Sabhal Mòr Ostaig Audit Committee

Draft Minutes

Date and Time	Friday 23 June 2017
Location	Seòmair Shomhairle, Ionad Iain Nobail
Present	Willie MacDonald, Chair Murdo Campbell Arthur Cormack Sandy Jones (by phone) John Taylor
In attendance	Louise Carmichael, TIAA (by phone) Iain Gordon, Director of Finance and Planning Stuart Inglis, Director, Henderson Loggie, External Audit Partner Marie MacKay, College Accountant
Apologies	Fiona MacKinnon (Secretary to the Board)
Minutes	Christine Mackenzie
Minute status	Draft

Summary of Action Items

Ref. Number	Action	Responsibility	Time line
AUD 13-01 Item 9	Arrange the Chair's attendance at the next Board of Directors' meeting. [timescale updated]	C. Mackenzie	Sept 2017
AUD 17-02 Item 4	Forward to committee final correspondence with Scottish Government's Internal Audit Directorate regarding ERDF audit	I. Gordon	Jul 2017
AUD 17-02 Item 6	Forward final draft of Marketing and Recruitment Report, with management responses, to committee.	C. Mackenzie	Jul 2017
AUD 17-02 Item 7	Update meeting timetable	C. Mackenzie	Jul 2017
AUD 17-02 Item 7	Contact Jason Thurlbeck regarding annual report content.	C. Mackenzie	Aug 2017

Agenda Item

1. Welcome and Apologies

The Chair welcomed the members and those in attendance, in particular Stuart Inglis, Director, Henderson Loggie, who was attending his first meeting. There were no apologies.

2. Declaration of Interests

M. Campbell declared his interest as a director of Cànan, of SMO Developments, and of Bail' Ùr Ostaig. I. Gordon declared his interest as a director of Cànan. A. Cormack declared his interest as his son is an employee of the College.

3. Minutes of the meeting held on 10 February

The minutes were approved as an accurate record. The action points were discussed.

4. Matters arising not on the Agenda

(a) Kilbeg Capital Project

I. Gordon informed the committee that there had been no further progress with regards to audit of the project by ERDF and the Scottish Government's Internal Audit team.

ACTION: I. Gordon to forward final correspondence between himself and Scottish Government's Internal Audit Directorate

5. Risk Register

The Risk Register had been updated since the previous meeting and the updates and high risk items were discussed. It was agreed to reduce the likelihood of 2.4 (Poor management of finances/systems) to 3, reducing the item from high risk, to medium risk.

The College Risk register now feeds into the wider UHI Risk Register.

6. Internal Audit

The Internal Audit Strategic Review Plan was noted and L. Carmichael spoke to the paper. The report on Marketing and Recruitment was noted; TIAA are offering limited assurance. College management have not responded yet. The final draft will be circulated to the committee once complete. The Operational Procurement Review was noted. This review of the College's procurement processes will be carried out every three years. The main recommendation of this first report was the centralising of tenders, currently each department of the College deals with tenders themselves.

ACTION: C. Mackenzie to forward final draft of Marketing and Recruitment Report, with management responses, to committee.

7. Audit Committee Self-evaluation Report

The summary report of the committee's self-evaluation was noted. The committee members agreed to meet with I. Gordon on 25 August to discuss Colleges Scotland's Good Practice Self-Evaluation Tool for audit committees.

It was agreed in principal to hold future meetings in line with the Board's annual calendar.

The committee asked for further clarity on what should be included in annual reports and C. Mackenzie was asked to speak to Jason Thurlbeck, Head of Internal Audit at UHI regarding this.

ACTION: C. Mackenzie to update meeting timetable.

ACTION: C. Mackenzie to speak to Jason Thurlbeck regarding annual report content.

8. External Audit Plan 2017

The external audit plan was noted.

9. College Budget 2017-18

The College budget for 2017-18 was circulated for information. A small surplus is shown; this is based on student numbers of 106 full-time equivalent students. There had previously been some concern over numbers and the Finance and Estates Committee and the Board had approved the budget pending a re-assessment, but recent updates appear to show that the situation is improving.

10. AOCB

There was no other competent business.

11. Date of Next Meeting

The next full meeting will be held on 10 November at Sabhal Mòr Ostaig.

The meeting adjourned at 3.05pm