

**Sabhal Mòr Ostaig Audit Committee**

**Draft Minutes**

Date and Time	<b>Friday 2 November 2018, 11.00am</b>
Location	<b>Seòmair Shomhairle, Ionad Iain Nobail</b>
Present	Willie MacDonald, Chair Murdo Campbell Arthur Cormack Iain Graham Jo MacDonald John Taylor
In attendance	Louise Carmichael, TIAA (by VC, to 11.45) Stuart Inglis, Director, Henderson Loggie, External Audit Partner Karen Kennedy, Director of Finance Marie MacKay, College Accountant
Apologies	None
Minutes	Christine Mackenzie
Minute status	Draft

**Summary of Action Items**

<b>Ref. Number</b>	<b>Action</b>	<b>Responsibility</b>	<b>Time line</b>
AUD 18-03	Request that Estates and Services Manager, Dòmhnall Angaidh MacLennan, submit a report on water ingress in the Fàs building and the legal proceedings against the architects	C. Mackenzie	Feb 2019
AUD 18-03	BCP Lead Officer to re-assess how personal details are dealt with in Business Continuity Plan	D.A MacLennan	Nov 2019
AUD 18-03	Request that M. MacDonald attends next meeting to discuss IT Recovery Plan	C. Mackenzie	Nov 2019
AUD 18-03	Discuss best practice on IT Recovery with other colleges in the UHI network.	K. Kennedy	Nov 2019

## Agenda Item

### 1. Welcome and Apologies

The Chair welcomed the members and those in attendance.

### 2. Declaration of Interests

J. MacDonald declared her interest as a board member of MG Alba. I. Graham declared his interest as his wife is a tenant of the College. M. Campbell declared that he was a director of Cànan Ltd.

### 3. Minutes of the meeting held on 1 June 2018

The minutes were approved as an accurate record.

### 4. Matters arising not on the Agenda / Action Points

All actions had been completed and there were no matters arising that were not on the agenda.

### 5. External Audit Reports

The draft Audit Findings Report was noted. Henderson Loggie are offering an unmodified audit opinion on the financial statements. Issues identified in the planning and audit fieldwork were discussed. The committee asked that a report on the water ingress in the Fàs building and the legal proceedings against the architects, Gillespies, be submitted to them at the next meeting.

**ACTION:** C. Mackenzie to request a report on Fàs building be submitted to the next meeting from Estates and Services Manager, Dòmhnall Angaidh MacLennan.

There were 5 points raised in the previous year regarding internal controls that were identified as of significance and to be reviewed by management; two of these have been fully implemented.

The draft financial statements were noted. K. Kennedy outlined the three points from the Code of Good Governance that College does not currently comply with and explained the reasons for this. Colleges Scotland are aware of these and are satisfied with the College's explanations.

The draft accounts are showing a surplus of £71, 712.

The draft financial statements were approved and recommended to the Board, subject to signing-off by the external auditors.

## 6. Internal Audit Reports

The internal audit reports were noted.

### *(i) Credits*

TIAA are offering reasonable assurance and there are two Priority 2 recommendations, both regarding courses which span two academic years.

### *(ii) Students Admissions*

TIAA are offering reasonable assurance and there is one Priority 2 recommendation and two Priority 3 recommendations.

### *(iii) Business Continuity Plan*

TIAA are offering limited assurance and have identified 11 recommendations, two of which are Priority 1; identification of critical activities, and availability of Business Continuity Plan to relevant staff. The latter has already been actioned, although the issue of data protection was raised: senior staff contact details are contained in the document and in making the document accessible, these details may then be accessible to staff, students or visitors. It was agreed that staff responsible for the BCP should re-assess how personal details are handled.

**ACTION:** BCP Lead Officer to re-assess how personal details are dealt with in plan.

The committee requested that the IT Manager, Martin MacDonald, attend the next meeting to discuss the IT recovery plan. K. Kennedy agreed to discuss best practice with other colleges in the UHI network.

**ACTION:** C. Mackenzie to request that M. MacDonald attends next meeting to discuss IT Recovery Plan

**ACTION:** K. Kennedy to discuss best practice on IT Recovery with other colleges in the UHI network.

K. Kennedy informed the committee that budgeting control was due to be sort of next year's internal audit; however, as she will be on maternity leave, she requested that this be postponed. The committee agreed with this request.

TIAA will be visiting the College on 12 November to carry out an audit on risk management, and on staff development.

**7. Risk Register**

The Risk Register was noted and the committee made no recommendations for amendments.

**8. Self-evaluation Report**

The summary report of the committee's self-evaluation was noted.

The committee's relationship with the board was discussed. The Board do receive the minutes from the committee's meetings and it was suggested that if either party required clarification from the other, this could be done through the minutes. The committee was cognisant that three of its members are also on the Board of Directors and that this would help communication.

It was agreed that a summary of the minutes from the Estates and Finance Committee be made available to the committee.

**9. AOCB**

There was no other competent business.

**10. Date of Next Meeting**

The next meeting will be held on 22 February 2019.

*The meeting concluded at 12.45*