
MINUTES OF THE NINETEENTH MEETING OF THE AUDIT AND RISK COMMITTEE OF THE GOVERNING BODY OF THE NORTH WEST REGIONAL COLLEGE HELD IN THE BOARDROOM, STRAND ROAD CAMPUS, ON MONDAY 19 SEPTEMBER 2011 COMMENCING AT 5.30PM.

PRESENT: Mr D McMahon (Chair)
Prof F Monds
Mr H Faulkner (ex-officio)
Mr L Gallagher
Mr A Smyth

IN ATTENDANCE: Mr S Murphy (Principal and Chief Executive)
Mr P McKeown (Director of Finance and Estates)
Mr M Pitt (PwC, Internal Auditor, Partner)
Mr R Monds (DEL Observer) (from 6.10pm)
Mr S McCormick (NIAO, External Auditor)
Mr D McClelland (Secretary)

The Chair welcomed members to the meeting.

19.1 APOLOGIES

Apologies were received from Ms E Cavanagh and Mr W McBride.

19.2 DECLARATION OF INTERESTS

No member declared a conflict of interest in the business of the meeting.

19.3 MINUTES OF MEETING HELD ON 13 JUNE 2011

It was proposed by Mr Gallagher seconded by Prof Monds and agreed that the minutes were an accurate record of the meeting.

Action: Secretary to arrange for the publication of approved minutes asap

19.4 MATTERS ARISING

18.9.2 to be dealt with under item 19.12

18.9.3 It was agreed to resume the presentation of Schools' risk registers at next Committee meeting. The Director agreed to make out a timetable with 1 School attending per meeting.

Action: Director to devise timetable for presentation of Schools risk registers at Committee meetings

19.5 CHAIRMAN'S BUSINESS

There was no business transacted under this heading.

19.6 INTERNAL AUDIT: PRESENTATION OF FINDINGS

Review of Procurement (Ref: paper AC19.6). The Internal Auditor reported that this robust review had been awarded a 'satisfactory' assurance rating with 3 recommendations. In connection with the payment of invoices, the Internal Auditor suggested that it was appropriate to use the date of receipt of invoice as the commencement of the payment period.

19.7 IA: FOLLOW-UP REVIEW (Ref: paper AC19.7)

Internal Audit had identified 14 outstanding recommendations from past years, 6 were now fully implemented, 6 partially and 2 no longer applicable. The Internal Auditor commented that this situation reflected well on the College.

19.8 IA: ANNUAL REPORT 2010/11 (Ref: paper AC19.8)

This report summarised the activities of Internal Audit during the year. The overall assurance level given by Internal Audit was 'substantial'. The Committee Chair commented on the high level of assurance this rating gave to members and the Governing Body.

19.9 IA: KEY PERFORMANCE INDICATORS REPORT 2010/11 (Ref: paper AC19.9)

The Internal Auditor explained that IA had set 9 KPIs for its own performance over the year. This report showed that all had been met with the exception of the time interval between end of field work and publication of draft reports. It was hoped to improve on this in the coming year. He added that results of the Client Satisfaction Survey should be available for the next Committee meeting.

19.10 IA: STRATEGIC IA PLAN 2011/12 (Ref: paper AC19.10)

The Internal Auditor advised that the issues recommended for inclusion in the plan for 2011/12 had been derived from the College's risk register. After the Chair checked with members that there were no other issues to be included in the plan, it was proposed by Mr Smyth seconded by Prof Monds and agreed to recommend to the Governing Body that the plan be accepted.

19.11 EXTERNAL AUDIT: AUDIT STRATEGY 2010/11 (Ref: paper AC19.11)

The External Auditor advised that the document had not substantially changed from last year. Visits to the College would be commencing next week. From observations at the Committee throughout the year, he anticipated that the audit should be straight forward. It was proposed by Mr Gallagher seconded by Mr Smyth and agreed to receive the audit strategy.

19.12 DRAFT ANNUAL ACCOUNTS 2010/11 (Ref: paper AC 19.12)

The Director advised that the Committee's role in examining the accounts at this stage should be to give assurance that they were properly prepared and that they conformed to regulations. He drew members attention to a number of issues including the balance sheet and the Statement of Internal Control. Members noted the effect of fluctuations in value of assets on the overall financial position of the College.

19.13 CORRESPONDENCE

None.

19.14 ANY OTHER BUSINESS

1. The Chair stated that he wished to update the Committee in relation to the investigation requested by the Minister which he had tasked IA to carry out and which he understood was nearing completion. The Internal Auditor confirmed that field work had been completed and that a draft report would be issued shortly.

2. The GB Chair mentioned a letter he had received from the Chair of the Department's Assembly Committee. He considered that, as he is an appointee of the Minister, it was inappropriate for such correspondence to be sent directly to him. He had therefore referred the matter back to the Department. Members of the Committee fully concurred with the action the Chair had taken.

Date of next meeting: Monday 21 November 2011 at 5.30pm in Strand Road Campus.

There being no other business the Chair closed the meeting at 6.40pm.

Signed: _____ (Chair)

Date: 21 November 2011