

**MINUTES OF THE ELEVENTH 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 25 JANUARY 2010 COMMENCING AT 5.40pm.**

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**PRESENT:** Mr D McMahon (Chair)  
Miss E Cavanagh  
Mr H Faulkner (ex-officio)  
Mr L Gallagher  
Prof F Monds  
Mr W McBride  
Mr A Smyth

**IN ATTENDANCE:** Mr S Murphy (Director)  
Mr P McKeown (Assistant Director, Finance)  
Mr M Pitt (PwC, Internal Auditor, Partner)  
Mr R Monds (DEL Observer)  
Mr S McCormick (NIAO, External Auditor)  
Mr D McClelland (Secretary)

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The Chair ascertained that there were no matters of business to discuss prior to the Director and Assistant Director joining the meeting.

**11.1 APOLOGIES**

No apologies as all members were present.

**11.2 DECLARATION OF INTERESTS**

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

**11.3 MINUTES OF MEETING HELD ON 23 NOVEMBER 2009**

Following a correction to the designation of the representative from Moore Stephens it was proposed by Prof Monds seconded by Mr McBride and agreed that the minutes were an accurate record of the meeting.

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

**11.4 MATTERS ARISING**

**10.5 Rota for presentation of Departmental Risk Registers to the Committee**

It was agreed that the registers from 2 Schools would be considered at each meeting on a rota basis. A copy of each register would be provided to members in advance of the meeting. Members would then have the opportunity to engage with the Head of School at the meeting itself.

*Action: Assistant Director to arrange with Secretary for a rota of Schools to commence presentation of risk registers at next Committee meeting*

**10.5 Payment of Invoices.** The Assistant Director advised that the monitoring of payment of invoices would be carried out on a quarterly basis with an initial report being made available in March.

#### **11.5 CHAIRMAN'S BUSINESS**

The Chair expressed his best wishes to the Committee for 2010.

#### **11.6 RISK MANAGEMENT REPORT**

The Assistant Director reported that there were no matters of significance to report and that a full report would be presented to the Committee in March.

#### **11.7 INTERNAL AUDIT: STATUS REPORT (Ref: paper AC11.7)**

The Internal Auditor referred members to the report. He was content that risk management was now working satisfactorily throughout the College.

#### **11.8 INTERNAL AUDIT: PRESENTATION OF FINDINGS**

**11.8.1 Corporate Governance (Ref: paper AC11.8.1).** The Internal Auditor reported that the review has received a 'substantial' assurance rating. Two housekeeping recommendations had been accepted by management. A member suggested that, in any future review of Corporate Governance, it would be helpful if the GB Chair could be involved at the initial stage of the review.

**11.8.2 Examination and Registration (Ref: paper AC11.8.2).** The Internal Auditor reported that this review had received a 'satisfactory' assurance rating. He drew members' attention to the 5 recommendations made in the report all of which had been accepted by management. The issues included

- the adequacy and effectiveness of procedural guidance
- the adequacy of the examination fee payment process.

#### **11.9 AMENDMENTS TO THE FINANCIAL MEMORANDUM (paper AC11.9)**

The Assistant Director outlined a number of issues relating to the amendments proposed in the Financial Memorandum. These included:

- changes in relation to the management of reserves. The Director considered Colleges need to be able to accumulate reserves in order to be able to meet large financial commitments such as major maintenance. The Chair suggested there should be clear definitions of 'reserves' and 'income'.
- changes to the procurement process including number and level of quotations required. The DEL representative indicated that the changes would not be applied retrospectively. The Assistant Director also indicated difficulties which could arise with the proposed changes to a single tender item

It was agreed that the Assistant Director would write to DEL to meet the stated deadline taking into account the views expressed by members. It was also agreed that the reply would be furnished to members for the next meeting of the Governing Body.

*Action: The Assistant Director to reply to DEL by the end of January and to provide the Secretary with a copy of the reply for the GB meeting in February.*

**11.10 POLICIES, PROCEDURES & GUIDELINES**

It was agreed to delay this item until on-going investigations by DEL were complete. The Director indicated he would also consult fellow Directors.

*Action: Director to advise Secretary when item should be re-visited.*

**11.11 CORRESPONDENCE**

None.

**11.12 ANY OTHER BUSINESS**

No business was conducted under this heading.

**Date of next meeting:** It was agreed to meet on Monday 22 March 2010 at 5.30pm in Strand Road Campus

There being no other business the Chair closed the meeting at 6.45pm.

Signed: \_\_\_\_\_ (Chair)

Date: \_\_\_\_\_