

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a special meeting of the **Audit & Risk Committee**
held on Monday 27 November 2023 at 10:00 am
via Microsoft Teams

PRESENT:

Mr Tom Corr
Mr Brian Ingram, Committee Chair
Ms Alana Jones Campbell (*Items 1.0 – 3.0*)
Mr Patrick McKeown
Dr Lynsey Quinn

IN ATTENDANCE:

Mr David Conliffe, DfE
Mrs Joanne Lucas, Risk & Compliance Officer
Ms Celine McCartan, Chief Executive (*Items 1.0 – 3.0*)
Mrs Fiona McCauley, Secretary to the Governing Body
Mrs Sharon McGrath, Director of Corporate Services (*Items 1.0 – 3.0*)
Ms Suzanne Murphy, NI Audit Office
Mr Sean O'Donnell, Head of Finance & Governance

APOLOGIES:

Mrs Libby Armstrong
Mr Ian McCartney, RSM

1.0 PRELIMINARIES AND APOLOGIES

Mr Ingram, Committee Chair, welcomed all present, extending a particular welcome to new members Mr Corr and Dr Quinn.

Apologies were tendered on behalf of Mrs Armstrong and Mr McCartney.

2.0 CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations.

3.0 EXTERNAL AUDIT

PREVIOUSLY ISSUED to all members:

- Paper 03.01 2022/23 Annual Report & Financial Statements
- Paper 03.02 Cover Letter to Report to Those Charged with Governance
- Paper 03.03 Draft Report to Those Charged with Governance.

Mr Ingram explained that the purpose of the meeting was to review the 2022/23 Annual Report & Financial Statements and to receive the 2022/23 Report to Those Charged with Governance. He commented on the volume of work undertaken in the 2022/23 year and on the extensive progress made towards the achievement of strategic targets as detailed in the Annual Report. He also noted the strengthening of the internal control framework as well as the significant investment made in engagement with students, employers and the Department for the Economy (DfE). He then invited Ms Murphy to present the findings of the NI Audit Office's (NIAO) audit of the 2022/23 Annual Report & Financial Statements.

Ms Murphy advised that an unqualified audit opinion has been proposed following the audit of the College's Annual Report & Financial Statements for 2022/23. She explained that the audit is substantially complete and that issue of the Report to Those Charged with Governance is subject to the NI Audit Office's (NIAO) final review of the Annual Report & Financial Statements.

Ms Murphy then provided an overview of the draft Report to Those Charged With Governance highlighting the Committee's responsibility in reviewing the report; the unchanged scope of the audit from that presented in the Audit Strategy in May 2023; the amendments suggested and made to the Financial Statement Disclosures, the Remuneration Report and the Statement of Corporate Governance & Internal Control; the prior year irregular spend identified outside of the College's control in relation to DfE's failure to obtain approval to extend the Systems, Technology & Services Project; the lack of recommendations and misstatements; and the update on the implementation of the outstanding prior year recommendation regarding assets with a nil book value. She also drew members' attention to the draft Letter of Representation to be signed by the Accounting Officer and the draft Audit Certificate to be signed by the Comptroller & Auditor General.

Due to technical difficulties, Ms McCartan withdrew from the meeting during Ms Murphy's presentation.

Members commented on the assurance received from the audit report presented and paid tribute to the Audit and Finance teams for their work in collaborating effectively to complete the audit. The Committee Chair reflected on the Governing Body's responsibilities as outlined in the Audit Certificate and confirmed that these responsibilities had been fully discharged.

A discussion then ensued on the prior year recommendation regarding the removal of fixed assets from the Fixed Asset Register with a nil net book value. Members were provided assurances on the priority placed on the safeguarding of assets and it was noted that a fixed asset inventory check is underway and that a review of the sectoral Depreciation Policy may be required to ensure the accuracy of the usable life of fixed assets.

The Committee welcomed the unqualified audit opinion and recommended the 2022/23 Annual Report & Financial Statements for approval by the Governing Body.

AGREED: that the Annual Report & Financial Statements 2022/23 be recommended to the Governing Body for approval.

Mrs Jones Campbell and Mrs McGrath withdrew from the meeting at this juncture.

4.0 RISK APPETITE STATEMENT

PREVIOUSLY ISSUED to all members:

- Paper 04.01 Risk Appetite Statement.

Mrs Lucas thanked the Committee for its input into the proposed Risk Appetite Statement at the last meeting and explained that a further review had been undertaken by the Corporate Services team and the Director of Curriculum.

With reference to paper 04.01, she then highlighted the proposed amendments to the levels of accepted risk in the achievement of targets and the delivery of an excellent learner experience.

She added that a change in terminology from a 'hungry' risk appetite to an 'eager' risk appetite had been suggested, explained that the terminology used is accepted practice and advised that consideration of the matter would be taken on the next scheduled review of the statement.

AGREED: that the Risk Appetite Statement is recommended to the Governing Body for approval.

5.0 ANY OTHER RELEVANT BUSINESS

The Committee Chair asked Ms Murphy and Mr O'Donnell to convey the gratitude of the Committee to their teams on the work undertaken in the development and audit of the 2022/23 Annual Report & Financial Statements.

The meeting concluded at 10:35.

**CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY
31 JANUARY 2024**

CHAIRMAN



DATE 31/01/2024