

Audit & Risk Committee of Governing Body

Minutes of 25th November 2024

Present: Bernadette Costello (Chairperson), Colm O'Callaghan, Sam Dunwoody,
Dr Eimear Cotter

Apologies: Prof. Paul Moore

In Attendance: David Smith, Bernard Mullarkey, Conor Logan,
Elaine Dominguez (Minute-taker),

The Meeting was held the remotely via MS Teams. The meeting commenced at 14:00hrs and concluded at 15:40hrs.

1. Quorum

The Committee meeting was deemed to be quorate.

2. Adoption of Agenda

The Agenda was adopted as circulated.

Proposed: CO'C Seconded: EC

3. Conflicts of Interest

There were no conflicts of interest to report.

4. Adoption of the Minutes of Audit & Risk Committee Meeting of 21st October 2024

The Minutes of the meeting of 21st October 2024 were adopted as circulated.

Proposed: CO'C Seconded: SD

5. Matters Arising

It was proposed that the following matters arising from the Audit & Risk Committee meeting of 21st October be tabled at the next Committee meeting:

- Updates to the IADT Risk Management Policy, and
- The incorporation of the IADT Business Continuity Policy and IADT Risk Management Policy into the Corporate Risk Register.

5.1 Space Utilisation - it was noted that the third Space Utilisation Survey has been completed and it is hoped that the Report on same will be completed for issuing to the Committee members in advance of the next meeting.

5.2 Audit & Risk Committee Induction Training - it was noted that a procurement process will be required in order to acquire a professional training service provider for the Committee members.

- 5.3 Legal Review of IADT's Protected Disclosures Policy** - it was reported that the IADT Protected Disclosures Policy has been reviewed by legal advisers and a response has been issued by them, which will need to be reviewed. Once this review has been completed, an update will be provided to the Committee members at the next meeting, and training will be sourced.

6. Financial Matters

- 6.1 IADT Financial Statements for year ended 31st August 2024** - the Committee members were updated on the Institute's draft IADT Financial Statements for year ended 31st August 2024 as circulated. It was noted that the role of the Committee is to review the Financial Statements and approve them for submission to the Office of the Comptroller & Auditor General (C&AG) by 30th November 2024. The template for the Financial Statements is provided by the HEA. It was reported that last week the Institute received notification from the HEA of a supplementary allocation of €1.06M to cover additional pay costs as a result of the National Pay Agreement. The Institute has split this funding into two-thirds, one-third over the two academic years, 2023/2024 and 2024/2025. As a result, additional funding of €707K has been allocated to the accounts for year ended 31st August 2024, which will result in a surplus of €323K. It was reported that should the Office of the C&AG request that the funding be divided differently between the two academic years, that the Institute will review same. It was noted that the increase in International Travel costs is as a result of the Institute's involvement in a number of European and Research Projects (e.g. FilmEU, Horizon, CFA etc.), plus a return to travel abroad post-Covid. It was confirmed that the Institute has a robust Travel & Subsistence Policy and Procedures. It was reported that these projects are funded by the HEA and quarterly reports are submitted to the HEA for each project. With regard to the outlay for hospitality, it was noted that this figure relates to hospitality for external meetings/events which the Institute hosts, the majority of which is recouped via the individual project funding. It was reported that the Institute is compliant with the requirement from the HEA in relation to the depreciation of fixed assets. In addition, it was reported that for the past number of years, the auditing of the Institute's financial statements has been outsourced by the Office of the C&AG to DHKN Ltd., however, their contract has come to an end; the Institute will be informed as to who will carry out the audit process in due course. The Committee members recommended approval of the Financial Statements for year ended 31st August 2024 for submission to the Office of the C&AG, subject to additional information by way of notes to the accounts.

- 6.2 Management Accounts and Expenditure Report to end October 2024** - the Management Accounts and Expenditure Report to end October 2024 were discussed as circulated. It was noted that this document was issued prior to the receipt by the Institute of additional funding from the HEA of €1.06M. It was reported that the ECF provided by the HEA is a ceiling, and that Categories 1.2 and 1.3 are not counted as part of the overall ECF figure, due to the fact that these posts are covered by project funding (national and EU), research, as well as through projects funded by the European Commission. Committee members requested that further detail in relation to project funding be provided going forward, and that the layout of the Management Accounts be revisited.

7. Annual Governance Reporting

- 7.1 Audit & Risk Committee Annual Report 2023/2024** - the Committee noted the revised tabled Audit & Risk Committee Annual Report 2023/2024. It was noted that an additional entry will be required in relation to the Committee's satisfaction with the Institute's Statement of Internal Controls. It was proposed that the data contained in the original Annual Report 2023/2024 be amalgamated into the latest version of the document as provided by the Chairperson. Once this has been completed, the document will be circulated to the Audit & Risk Committee members for review prior to being forwarded to the Governing Body for approval.

Mr. Sam Dunwoody left the meeting at 15:40hrs

- 7.1.1 Review of Audit & Risk Committee Terms of Reference** - it was noted that the Audit & Risk Committee had reviewed the Terms of Reference at its meeting of 28th March 2024; no amendments were deemed necessary.
- 7.1.2 Annual Review of Controls** - it was noted that the Annual Review of Controls features as part of the original version Audit & Risk Committee Annual Report 2023/2024, and that reference will to this will be required in the final version of the Committee's Annual Report 2023/2024.

- 7.2 IADT Annual Governance Statement 2023/2024** - the Secretary/Financial Controller briefed the Committee members on the draft IADT Annual Governance Statement 2023/2024 as circulated. It was reported that last month, the HEA notified the Institute of an updated template for the Annual Governance Statement (AGS) 2023/2024; the submission process includes the completion of an MS Excel workbook (working document), plus an MS Form which must be completed online in a single sitting. For clarity purposes, an MS Word version of the AGS 2023/2024 was provided to the Committee for review, and will be provided to the Governing Body for their approval.

- 7.2.1 Draft Statement on System of Internal Controls** - the draft Statement on the System Internal Controls (referenced in the AGS 2023/2024) was reviewed as part of the Institute's Financial Statements for year ended 30th August 2024. It was proposed that the wording of the second sentence in the first paragraph (page 3 of the Financial Statements) under "Review of the Effectiveness of the Internal Control System" be amended to read:

*"The Governing Body's monitoring and review of the effectiveness of the system of internal control is informed by the work of the Institute Executive and Management who have responsibility for the development and maintenance of the internal control framework, **by the assurances provided by the Audit and Risk Committee and the Internal Auditors, and by the statement of confidence made by the Comptroller and Auditor General in his management letter**".*

It was proposed that the wording of the fourth sentence in the second paragraph of this section be amended to read:

*"At least once annually, the Internal Auditors provide the Governing Body Audit & Risk Committee with a report on internal audit activity **to agreed timelines**"*

8. Audit & Risk Committee Effectiveness Review

It was proposed that the Effectiveness Review Questionnaire be completed by all members of the Audit & Risk Committee and submitted to the Chairperson for review.

9. Equality, Diversity & Inclusion Implications

It was noted that the Institute's Financial Statements for year ended 31st August 2024, highlight the supports provided to students and Student Services, and in addition, note that the Quadrangle Building continues to be non-compliant with Building Regulations. It is hoped that this matter can be rectified through future funding under the Technological Sector Strategic Projects Fund.

10. A.O.B.

There were no matter for discussion under A.O.B.

The next meeting of the Audit & Risk Committee is scheduled for 2nd December @ 2pm.

Signed: _____
Bernadette Costello
Chairperson

Date: _____