

The University of Dublin

Trinity College

Minutes of Audit Committee, Thursday 12 November 2009

Present Mr J Collins (Chairman), Professor J McGilp, Professor J O'Hagan, Mr P O'Reilly, Professor Brian McGing

(ex officio) Internal Auditor (secretary), Secretary to the College

In Attendance Ms M Thompson

The Treasurer attended for item AD/09-10/20

(Items of specific interest to the Board are denoted XXX)

AD/09-10/17 Minutes The Minutes of the meeting held on 14 October 2009 were approved and signed.

AD/09-10/18 Call-over The Committee noted the actions which had been implemented since the previous meeting and those that remained outstanding. Of the actions remaining outstanding, the Committee expressed strong concern at the delay in addressing the issues raised in the Internal Auditor's report on Inter-Institutional Agreements as discussed at recent meetings. The Committee agreed that this matter should be followed up again as a matter of urgency. In regard to e-strategy and related IT projects, the Committee expressed concern about the risks inherent in further delays in this area and the lack of progress on completing the draft policy and procedures for major IT projects and noted that the post of Director of IS Services remains unfilled.

Action:

The Chairman and Internal Auditor to bring the views of the Committee to the attention of the Provost.

AD/09-10/19 Matter Arising There were no matters arising.

SECTION A - POLICY ISSUES

AD/09-10/20 Consideration of Draft Trust Funds (Benefactions) Financial Statements
XXX for year to 30 June 2009 The Treasurer, joining the meeting, invited the Committee's attention to the Draft Trust Funds (Benefactions) Financial Statements for the year ended 30 June 2009, which had been circulated. The Treasurer drew the Committee's attention to the Treasurer's Report and highlighted issues in relation to the investment and governance aspects, noting in particular the key requirement that funds continue to provide support to specific College activities in perpetuity. He emphasised the role of Schools in the monitoring of individual funds' balances and the role of the Investment Committee in the management of the funds. The Treasurer outlined the aims of the College's investment strategy and clarified a number of technical queries relating to this strategy and to the financial statements. The Treasurer confirmed that the External Auditors intend to issue an unqualified opinion and that the Finance Committee has

already considered and approved the financial statements. The Committee agreed that the financial statements should be recommended for approval and signature by Board.

Action:

The financial statements and letter of representation to be forwarded to Board with a recommendation that they be approved and signed.

SECTION B - IMPLEMENTATION ISSUES

AD/09-10/21 Results of self-evaluation of the effectiveness of the Audit Committee

The Chairman invited the Committee's attention to a memorandum from the Secretary to the Committee, which had been circulated, detailing the results of the self-evaluation of the Committee which had been undertaken by the members of the Committee, the Internal Auditor, the External Auditors and the Secretary to the College.

Referring to a tabled document, the Chairman informed the Committee of discussions he had with the KPMG audit partner and he also updated the Committee on topics discussed at a recent IPA Seminar for the Chairpersons of Audit Committees in the Public Sector, which he had attended and which were relevant to the Committee's self-evaluation process.

The Chairman, noting that the results of the Committee's self-evaluation indicated a high level of satisfaction in its effectiveness, invited the Committee's attention to a number of areas, which the evaluation suggested could be improved.

The Committee discussed in detail the results of the evaluation highlighting areas that would be given further consideration at future meetings. In particular, the Committee discussed the resourcing of the Internal Audit function and, considering the breadth of the Committee's terms of reference, expressed concern that not all areas can be addressed in a reasonable timeframe. The Committee, noting that the revisions made to the risk management system in College have the potential to result in a more effective system, agreed that in future the Risk Register might form a basis for a structured work plan for the Committee.

The Committee also discussed maintaining an appropriate balance between its work on the financial statements and audit and its other work.

In the course of a discussion, the Committee considered the potential value of an additional external Committee member, and the Chairman invited members to reflect further on this issue and forward any suggestions to the Internal Auditor.

The Committee also considered the effectiveness of the Committee's links with Board and senior College management, and agreed to examine this matter again at a future meeting.

Action:

- 21.1 Further consideration be given to certain aspects regarding the Committee's effectiveness at a future meeting.
- 21.2 Members to reflect on possible additions to the Committee and to feedback their views to the Internal Auditor.

AD/09-10/22 Draft Audit Committee Annual Report to Board The Chairman, introducing the item, invited the Committee's attention to a memorandum from the Internal Auditor, which had been circulated, together with the draft Part 1 of the Annual Report of the Committee for 2009. The Committee, noting

that the final version of the Report will be considered by Board at its meeting of 8 December 2009, also noted that the Report will be in two main parts: Part 1 being a commentary inviting Board's attention to certain key issues and part 2 being a report of record for the year.

The Committee agreed that Part 1 of the Annual Report, as drafted, fairly reflected the views of the Committee.

Action:

The Internal Auditor to present a final draft of the full Audit Committee Annual Report to the next meeting of the Committee.

SECTION C - ITEMS FOR NOTING

- AD/09-10/22 Current Developments and Practices in Audit**
The Committee noted the reports which had been circulated.
- AD/09-10/23 Correspondence with KPMG**
The Committee noted the KPMG letter of 8 October 2009 which had been circulated.
- AD/09-10/24 Board Papers**
The Committee noted the Agenda and Minutes which had been circulated.