



Agenda Item 5 MINUTE

**Meeting of the Audit and Risk Committee held on 30 June 2022
at 2.00pm hybrid meeting held both in person at the Association’s Boardroom, Stirling
Road Doune and conducted online using Zoom**

Attendance: Fiona Boath (Chair)
Mark Griffiths
Susan Macmillan
Margaret Vass (participated remotely)

Staff in attendance: Donna Birrell (CEO)
Kirsty Brown (DCEO/DFCS)

Also in attendance: Allison Devine, (AD) Alexander Sloan, External Auditors (Agenda item 3 only)

Item		Action
1.	<p>Introduction and Apologies</p> <p>The Chair welcomed everyone to the meeting and introduced Allison Devine from Alexander Sloan (External Auditor – Agenda Item 3 only).</p> <p>Apologies were received from Lorna Cameron. Apologies were also noted from Craig Wood and Jackie Leeds.</p>	
2.	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
3	<p>External Audit</p> <p>3.1 Annual Audit & Accounts 2021/2022 Alexander Sloan in attendance</p> <p>AD presented the Financial Statements for the year ended 31 March 2022 (Appendix 1). Summary details of the position of the Income and Expenditure Account, Balance Sheet and Cash Flow Statement were provided in the report. Appendix 2 provided a further detailed breakdown. The Audit Summary Report and Letter of Representation were provided in Appendices 3 and 4 respectively.</p> <p>AD confirmed that the Audit opinion had been that the accounts provided a true and fair view, and that RSHA had received an unqualified audit report.</p>	DCEO/DFCS

Chair’s signature.....

	<p>The Financial Statements are reporting a sound financial position with a net surplus of £239,086, balance sheet reserves of £6,381,975 and a closing cash figure of £4,397,159.</p> <p>The Association achieved a clean Audit Summary Report; no material adjustments were identified that were not adopted in the financial statements and no control issues identified.</p> <p>All loan covenants have been met for the year ended 31 March 2022.</p> <p>It was noted that the audit process is now paperless and the addition of an interim audit in early April, along with the use of the new Inflo auditing software, implemented by Alexander Sloan, had streamlined the process and been a success.</p> <p>Once approved, the documents would be submitted to the Scottish Housing Regulator as part of the Audited Financial Statements Return which were due by 30th September 2022.</p> <p>The Committee was asked to recommend to the Board that Alexander Sloan be re-appointed as External Auditor for 2022/23 at the next AGM.</p> <p>A query was raised with respect to the NI Costs for 2022 on P.23. The figure has been omitted from the final draft statements; the financial statements will be amended to show the figure reinstated.</p> <p>AD thanked DCEO/DFCS and members of her team.</p> <p>The Committee thanked AD and her team for the smooth running of the 2022 audit.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> • that the draft Financial Statements for the year to 31 March 2022, along with the Audit Summary Report and Letter of Representation be recommended to the Board for approval, subject to the amendments noted. • that the re-appointment of Alexander Sloan be recommended to the Board for approval. <p><i>AD left the meeting following consideration of this item</i></p>	
<p>4.</p>	<p>Internal Audit</p> <p>4.1 Internal Audit Plan 2022/2023: update on Reviews</p> <p>The report provided details of the Internal Audit Plan 2022/23. Two internal audit reviews were scheduled for late-August 2022, with a final two reviews scheduled for mid-January 2023. Reports on the August reviews will be presented at the November Committee meeting.</p>	

	<p>The Committee endorsed the addition of the fourth internal audit review area, Development Contract Management. This was a recommendation in the Annual Assurance Statement Action Plan. This review is now included in the updated Annual Internal Audit Plan (Appendix 1). This review will take place in January 2023 (as noted above).</p> <p>Progress on completion of actions recommended in previous audits was provided in Appendix 2. The Committee commented that it was good to see progress in relation to clearing these actions.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> • that the contents of the report and attached appendices be approved. 	
5.	<p>Minutes of Previous Meetings</p> <p>5.1 Minute of Audit and Risk Committee Meeting – 28 April 2022</p> <p>The Minute was approved on a motion by M Vass and seconded by M Griffiths.</p>	
6.	<p>Matters Arising Schedule</p> <p>The CEO presented the Matters Arising Schedule. It was noted that individual Learning and Development Plans had been issued to all Board members by the Chair and copied to the GCO. To date only one signed copy has been returned. It was agreed that the CEO would contact all Board members to confirm that the contents of the plans are assumed to be approved unless we hear to the contrary.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> • that the Matters Arising Schedule be approved. 	CEO
7.	<p>Health and Safety</p> <p>7.1 Incidents – There were no incidents to report.</p> <p>7.2 Health and Safety Update</p> <p>The Committee questioned the timescales for Occupational Driving Risk Assessments and asked that these be carried out sooner rather than later. This will be actioned.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • Noted that hybrid working arrangements have been reviewed and that staff are now required to be in the office 3 days per week rather than 2. • Noted that there have been no health & safety incidents to report since the last meeting date. • Noted the health and safety related training provided to staff since the last meeting date. • Approved the HHSC Audit Action Plan and noted the combined plan for all six audit areas Appendix 3. 	DCEO/ DFCS/ DHPS
8	<p>RSG Key Risks</p> <p>8.1 Risk Exception Report: No report</p>	

9.	<p>Resources Update Confidential</p> <p>9.1 Confidential Board and Staffing Update including Board Development Plan</p> <p>This report was confidential.</p> <p>9.2 Investors in People Review 2021 – No report</p>	
10.	<p>Governance</p> <p>10.1 Record of Electronic Approvals There had been no electronic approvals since the last meeting.</p> <p>10.2 Annual Review of A&R Sub Committee Performance</p> <p>The Committee expressed disappointment at the lack of input from Board members to the annual review of Audit and Risk Committee Performance. The Committee members expressed the view that the role of the Committee is an important one that needs to be properly understood. The Chair agreed to raise the importance of Board input to the work of the Audit and Risk Committee when this item is presented to the August Board as part of the Annual Governance reviews.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • approved the content of the report and supporting documents at Appendices 1 to 4. It was noted that the final version of all documents will be presented to the Management Board for approval, along with the report recommendations. 	Chair
11.	<p>Action Tracker</p> <p>The updated Action Tracker was presented to the Committee.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> • that the Action Tracker be approved. 	
13.	<p>Any Other Competent Business</p> <ul style="list-style-type: none"> • The Chair of the Audit and Risk Committee thanked everyone for their input as this was the last Audit and Risk meeting before the AGM. The Committee members also thanked the Chair for her stewardship over the last year. 	
14.	<p>Date of next meeting</p> <p>Audit and Risk Committee: Thursday, 3 November 2022, 2pm, via Zoom (tbc).</p>	

Chair's signature.....