

QUALITY MEAT SCOTLAND

Minutes of the Audit and Risk Management Committee Meeting
 25th July 2023, 2pm – 5pm
 Microsoft Teams

Present:

Ann Irvine - Chair
 Gordon Wallace
 Niall Jeffrey
 Pete Brown

Minutes:

Kirsty McCormack

In attendance:

Debbie Phillips (QMS)
 Jennifer Grant (External Auditor - Audit Scotland)
 Maggie Bruce (External Auditor - Audit Scotland)
 Martin Ritchie (Internal Auditor - tiaa)
 Pamela Byrne (External Auditor - Audit Scotland)
 Paul Byrne (Accountant)
 Sarah Millar (QMS)

1.	Welcome & Apologies	ACTION
	<p>Ann Irvine welcomed everyone to the meeting.</p> <p>There were no apologies</p>	
2.	Additions to the agenda	
	<p>There were no additions to the agenda.</p>	
3.	Declaration of interests in any agenda item	
	<p>There were no declarations of interests in any agenda item.</p>	
4.	Approve Minutes of meeting on the 8 th March 2023	
	<p>The committee approved the minutes as an accurate record of the meeting with the following amendments to be made:</p> <p>Under those in attendance - Martin Ritchie was not in attendance, his colleague Andrew McCulloch was in attendance. Pete Brown was not in attendance.</p>	

	<p>Under agenda item 6e – Sentence should read: The committee approved the two audits, audits to replace adults.</p> <p>Kirsty McCormack will make these amendments to the minutes.</p>	Kirsty
5.	Update of Action Points from previous meeting	
	<p>The committee reviewed the actions from previous meetings and the following update was given:</p> <p><u>Actions from 9th March Meeting</u></p> <p>No. 12 – Sarah advised that she recently met with the Chief Executive of RSABI to discuss an agreed code of conduct with partner industry organisations. It was also raised at a recent FAST stakeholder meeting and there was an action to look at possible options and take them back to the next FAST meeting.</p> <p>The committee were happy to hear the progress with this action.</p>	
6.	Report on Fraud, Theft and Bad Debts to 31st March 2023	
	<p>Paul Byrne presented the report that confirmed there was no fraud, theft or bad debts identified in 2022/2023.</p> <p>Paul confirmed that this report would usually now go to the Board however it had already went to the Board in June. This is due to the Audit committee meeting being rescheduled from early June, before the Board meeting.</p>	
7.	External Audit	
7a.	Auditors Covering Report with Audit Certificate & letter of representation	
	<p>Maggie Bruce presented the auditor’s covering report highlighting that an unqualified audit opinion was given with 5 recommendations.</p> <p>Maggie asked the committee to confirm that they are not aware of any fraud or suspected fraud. The committee agreed that they were not aware of any fraud or suspected fraud.</p> <p>Maggie advised that the letter of representation will be signed by Sarah Millar electronically after the Board session on Thursday 27th July and returned to Audit Scotland.</p>	
7b.	Auditors Annual Audit Report 2022/ 2023	
	<p>Maggie Bruce presented the Auditors Annual Audit Report for 2022/ 2023.</p> <p>The following errors were identified in the report which Audit Scotland confirmed they would change before sending across the final report to be signed:</p>	

	<ul style="list-style-type: none"> ▪ Page 13, paragraph 29, terminology to be removed ‘clearly trivial’ and replaced with something to confirm - reporting on anything under the threshold. <p>A thorough discussion and clarification of points in the report took place.</p> <p>Audit Scotland agreed to share with Debbie Phillips, annual report and accounts good practice notes and layouts ahead of next years audit.</p> <p>A meeting has been confirmed for the 22nd August with the audit team, Debbie, Paul and Sarah so they can discuss how we approach the internal audit in future years. It was agreed for Ann Irvine to join the meeting. Debbie Phillips to forward on the invite.</p>	<p style="text-align: center;">Audit Scotland</p> <p style="text-align: center;">Debbie</p>
7c.	Audited Accounts for the Year to 31st March 2023	
	<p>Debbie Phillips presented the Audited Accounts for the year to 31st March 2023.</p> <p>Debbie confirmed that the audited accounts had been shared with the Board for information and that these will be officially electronically signed by Sarah Millar following the board session on Thursday 27th July. Audit Scotland will then sign and send to Scottish Government for the Cabinet Secretary to approve. Once approved they will go to parliament to be laid.</p>	
8.	Internal Audit	
8a.	Internal Audit Plan 2023/ 2024	
	<p>Martin Ritchie presented the audit plan for 23/24 confirming we will have 2 audits this year. Being on procurement and Market Intelligence, dates have been put in for these audits during November and December. The total number of days that has been put against the audit process this year is 12. This includes time to carry out the two audits, follow ups and planning of the next financial years audits.</p>	
9.	Review of Risk Register	
	<p>The committee reviewed the risk register and agreed for Debbie Phillips to make the following changes:</p> <p><u>Industry Risks</u></p> <ul style="list-style-type: none"> ▪ 1.1 – Change Inherent impact and likelihood to 3 ▪ 1.5 – change inherit and residual likelihood to 4 ▪ 1.6 – agree with comment however keep figures as is and review at October meeting ▪ 3.1 – keep as is, no change <p><u>Horizon scanning</u></p> <ul style="list-style-type: none"> ▪ Add general election 	<p style="text-align: center;">Debbie</p>

10.	Results of Audit and Risk Management Committee Effectiveness Self-Evaluation Questionnaire	
	<p>The committee reviewed the Results of the Audit and Risk Management Committee Effectiveness Self-Evaluation Questionnaire.</p> <p>The following summary is from responses from 4 committee members answering 40 questions:</p> <ul style="list-style-type: none"> ▪ I agree - 91% ▪ I disagree - 3% ▪ I don't know - 5% ▪ We don't do this but we should - 0% ▪ We do some of this but we need to do more - 1% <p>As the survey is anonymous, Ann Irvine asked for the committee member who gave a 'I disagree' or 'I don't know' response to any of the questions, to get in touch with either Ann or Kirsty McCormack to answer any questions they may have. All committee members are to check back on their survey responses.</p> <p>Debbie Phillips agreed to look at when the last time the committee met with the external and internal auditors without the executive present, and to confirm to the committee when the next meetings without the executive will take place.</p>	<p>ALL</p> <p>Debbie</p>
11.	Any other business	
	There was no other business raised.	
12.	Dates of Next Meetings	
	<ul style="list-style-type: none"> ▪ Wednesday 18th October 2023 at 1.30pm over MS Teams 	