

### AUDIT COMMITTEE ANNUAL REPORT 2022/23

Report of the Chair of the Audit Committee

#### 1. SUMMARY OF REPORT

- 1.1 This report sets out the Audit Committee's activities in connection with the financial year 2022/23.

#### 2. RECOMMENDATION

- 2.1 To note the report of the Chair of Audit Committee on the activity of the Audit Committee.

#### 3. MATTER FOR CONSIDERATION

##### Background

- 3.1 The Audit Committee held three meetings during 2022/23, plus a further meeting in June 2023.

##### Activities

#### 3.2 Internal Controls Assurance

The Audit Committee and management have continued the approach to the internal audit plan this year of targeting areas considered to be of higher risk.

Our Internal Auditors – Central Midlands Audit Partnership (CMAP) reported to the Audit Committee on 26 June 2023 in their "Internal Audit Annual Report 2022/23" that during the year there was "a Satisfactory System of Governance, Risk and Internal Control".

CMAP completed 8 reports in 2022/23, 4 from the 2021/22 plan plus 4 carried forward from 2021/22. A further 3 audits were in progress. Where an "Assurance Rating" applies – all reports received a "Reasonable" assurance with the Insurance audit receiving a "Substantial" assurance rating.

#### 3.3 Risk Management

The Audit Committee considered and reviewed the company's Strategic and Operational Risk Registers for 2023/24 at its meeting in February 2023, feeding comments through to the Board for its consideration as part of the approval process.

#### 3.4 Monitoring Financial Integrity

The core work of the Committee is to maintain checks on the financial integrity of the Company, scrutinising the accounts and ensuring that audit recommendations are followed through by management of the company. In particular:

- approving the internal audit plan for 2023/24 (in February 2023)
- receiving and evaluating the external audit management letters for 2022/23 (in June 2023)
- reporting to the Board on the 2022/23 financial statements and providing additional support and reassurance to Board Members enabling them to adopt the accounts for 2022/23
- overseeing the implementation of a process supporting the production of a Statement of Internal Control for inclusion in the Annual Report of the Board of Directors, Auditor's Report to Members and Financial Statements for the year ended 31 March 2023.

### 3.5 Monitoring and Reviewing Internal Financial Control

The Committee has done this by:

- scrutinising internal audit reports and questioning responsible officers at Committee meetings
- holding Executive officers accountable and probing potential areas of weakness.

3.6 I would like to record my appreciation and thanks for the time and effort Committee members have given to the important role of the Committee.

3.7 I would also like to record my thanks to the officers from Derby Homes, Central Midlands Audit Partnership, and our external auditors - Crowe UK LLP who have attended and supported the work of the Committee.

## 4. **FINANCIAL AND BUSINESS PLAN IMPLICATIONS**

The Derby Homes Scheme of Delegation undertakes to provide the Committee with sufficient resources to undertake its duties. The cost of this is contained within the operating budget.

**The areas listed below have no implications directly arising from this report**

- Legal and Confidentiality
- Consultation
- Personnel
- Environmental
- Equalities Impact Assessment
- Health & Safety
- Risk
- Policy Review

If Board members or others would like to discuss this report ahead of the meeting please contact:

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Background Information: None  
Supporting Information: None

Governance (checked)	Jane Haywood	14.09.2023
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