

Report to Council on Material Decisions of the Audit & Risk Committee

From: Ms. Geraldine Campbell, Chair.

The Audit & Risk Committee met on-line on Wednesday; 13th March 2024. The agenda items below reflect the material decisions made by the Committee. The meeting agenda can be found in Appendix 1.

Agenda Item 4 - Approval of Minutes

The Committee approved the Minutes, as amended, of its meeting on 29th November 2023.

Agenda Item 5 - Request for Approval of the Internal Auditor's High Level Review of the PSI's System of Internal Control.

The Committee met with a representative of Crowley's DFK, the Internal Auditor, in closed session, following which the Internal Auditor presented the results of the High Level Review of the PSI's System of Internal Control in open session. The Committee was informed that following the review, the Internal Auditor was in a position to provide, reasonable, as opposed to substantial assurance to the Committee, with regard the PSI's System of Internal Control. The Committee discussed the 5 low level recommendations and reviewed management's response to the findings, and noted its commitment to address the findings. The High Level Review of the PSI's System of Internal Control was approved by the Committee.

Agenda Item 6 - Request for Approval of the 2023 Annual Financial Statements.

(a) Financial Statements Year End 2023.

(b) External Audit Management Letter.

The Committee met with representatives of the External Auditor, Crowe Ireland, in closed session , following which the Head of Corporate Services and the Finance and Support Services Manager presented the draft 2023 Financial Statements and the External Audit Management Letter, to the Committee in open session.

The Committee noted following its revaluation in October, that there had been a substantial drop in PSI House's (fixed asset) book value, and suggested more regular valuations of this fixed asset be undertaken;

(i) outside of the normal formal review period that is required under accounting standards,

and,

(ii) that a note to Council of the estimation of the value, be then included in all future annual reports.

The Committee requested that an actuarial review of the PSI's potential liabilities with regard to its superannuation pension scheme be carried out in preparation of the year-end Financial Statements for 2024, and that any liabilities identified, be incorporated or noted in the year-end 2024 Financial Statements.

The Committee considered the draft financial statements to be complete, consistent with information known to the Committee at this time, and met the appropriate accounting standards. The Committee noted the two recommendations made by the External Auditor in the External Audit Management Letter and management's response. It approved the 2023 Annual Financial Statements and the External Audit Management Letter and is recommending their approval to Council.

Agenda Item 7 - Request for Approval of the PSI 2023 Annual Report's.

(a) Statement of Internal Control.

(b) Report of the Audit and Risk Committee.

(c) Risk Report: Principal Risks and Uncertainties

The draft PSI Annual Report 2023 and the Statement of Internal Control was presented to the Committee by the Registrar.

Council is required, under the Code of Practice for the Governance of State Bodies, to confirm in its Annual Report that there has been a review of the effectiveness of the system of internal control.

The Committee discussed the Statement of Internal Control and noted that under the terms of the Code of Practice for the Governance of State Bodies, the PSI Council, is required to form its own view regarding the PSI's system Internal controls, and that this should be specifically referenced in the Statement. The Committee confirmed that based on the information available information to it, it was satisfied the PSI's systems of internal control were operating effectively in 2023.

The Committee reviewed the Report of the Audit & Risk Committee and noted that under the terms of the Code of Practice for the Governance of State Bodies, it should contain an opinion expressed

by the Committee itself, regarding its own effectiveness. The Committee requested that the Report be amended accordingly. The Committee agreed, subject to amendment, that it reflected the work carried out by the Committee during 2023.

Council is required, under the Code of Practice for the Governance of State Bodies, to confirm in the Annual Report, that it has carried out an assessment of its principal risks, including a description of these risks, and their associated mitigation measures. The Committee reviewed the Risk Report, which includes the PSI's principal risks and uncertainties and was satisfied with the assessment of the PSI's principal risks.

The Committee approved the 2023 Statement of Internal Control, the Report of the Audit & Risk Committee, and the Risk Report: Principal Risks and Uncertainties, as contained in the PSI 2023 Annual Report, subject to the amendments which it had requested being made, and is recommending their approval to Council at its meeting on March 21st 2024.

Appendix 1

Agenda
PSI Audit & Risk Committee
Wednesday, 13th March, 2024, 13:30
Location: In Person at PSI House

Colour code: **Red**—for decision; **Green**—for discussion; **Blue**—for information

13:30	1.	Closed Session of the Committee, (to include the Internal Auditor, Crowley's DFK and/or the External Auditor, Crowe Ireland).	G. Campell
13:45	2.	Apologies	G. Campell
13:46	3.	Declaration of Interests (See Appendix A)	G. Campell
13:47	4.	Request for Approval of the Minutes of the Audit and Risk Committee Meeting held on 29 th November, 2023.	G. Campell
13:50	5.	Request for Approval of the Internal Auditor's High Level Review of the PSI's System of Internal Control.	Crowley's DFK
14:00	6.	Request for Approval of the 2023 Annual Financial Statements. (a) Financial Statements Year End 2023. (b) External Audit Management Letter (Crowe Ireland).	C. Stokes/E. Troy Crowe Ireland
14:15	7.	Request for Approval of the PSI 2023 Annual Report. (a) Statement of Internal Control. (b) Report of the Audit and Risk Committee. (c) Risk Report: Principal Risks and Uncertainties	Registrar G. Campell G. Campell
14:30	8.	Update on the Implementation of Internal Audit Recommendations.	A. Mellett
14:40	9.	(a) Review with the PSI Chief Risk Officer of the Corporate Risk Register. (b) Review of the Strategic Policy, Research & Communication Risk Register.	A. Mellett D. Burns
15:00	10.	Report from PSI Internal Health and Safety Appointee on the management of any major incidents, near misses, and lessons learned, and acted upon.	P. Tafuma

15:05	11.	Report from the PSI Data Protection Officer on the management of any data breaches.	A. Mellett
15:10	12.	Report from the PSI Freedom of Information Officer on the management of freedom of information requests received.	A. Mellett
15:15	13.	Any Other Business.	G. Campbell
15:16	14.	Closed Session of the Committee with the Head of Community Pharmacy Assurance	J. Bryan

The meeting should adjourn at approximately 16:00

The next meeting is scheduled for Wednesday, 29th May 2024.

Ms. Geraldine Campbell, Chair, PSI Audit & Risk Committee.