

HARROGATE HEALTHCARE FACILITIES MANAGEMENT LIMITED
Company number: 11048040
(the "Company") t/a Harrogate Integrated Facilities (HIF)

**ARRPOVED Minutes of an Extraordinary Meeting of the Company Board of
Directors**
held on Monday 6th March 2023, 2.30pm, via MS Teams

Present: Mark Chamberlain, Chairman
Angie Gillett, Managing Director
Richard Stiff, HDFT Non-Executive Director (Stakeholder Non-Executive Director)

In attendance: [REDACTED], Deputy Director of Estates and Facilities, HIF
Kate Southgate, Associate Director of Quality & Corporate Affairs (HDFT)
[REDACTED], Interim Director of Finance (HDFT)
[REDACTED], Head of Financial Management (HDFT)
[REDACTED], Executive Assistant (HDFT) – Minute-taker

HIF/03/06/1	Welcome and Apologies for Absence
1.1	The Chairman welcomed everyone to the extraordinary meeting of the Board of Directors to approve the Company’s Annual Accounts for the financial year 2021/22 and noted that the Interim Director of Finance had joined the meeting to present the accounts.
1.2	Apologies were received from: Lucy Hind, Non-Executive Director Roger Taylor, Non-Executive Director Gary Barrett, Non-Executive Director Matt Graham, Director of Strategy (Stakeholder Non-Executive Director)
HIF/03/06/2	Declarations of Interest
2.1	Richard Stiff declared an interest as chair of HDFT’s Audit Committee and Interim Director of Finance declared an interest in relation to his role as chair of Audit Yorkshire.
HIF/03/06/3	Minutes of Previous Meeting
3.1	It was noted the minutes of the previous meeting held on 21 st February 2023 would be received for approval at the Board meeting on 24 th April 2023.
HIF/03/06/4	Matters Arising and Action Log
4.1	Any matters arising, together with the action log, would be discussed at the Board meeting on 24 th April 2023.
HIF/03/065	HIF Annual Accounts 2021/22
5.1	Interim Director of Finance presented the annual accounts for 2021/22 for discussion and approval, sharing the accounts via his screen. It was reported that following discussion on the draft accounts, including with [REDACTED], a number of updates had been made and the changes had been highlighted in blue text. In terms of process and outstanding work, it was noted that [REDACTED] had issued a draft opinion and there were no issues in relation to the accounts. [REDACTED]

would be meeting with the audit team the next day to review HIF's fixed asset register and to consider some challenges around the valuations and how assets had been dealt with across the whole Group. Some sampling work would be undertaken in relation to this. This would then enable a formal opinion to be issued. It was noted that this work should not have any bearing on the accounts but in the event of this not being the case, Interim Director of Finance undertook to immediately contact the members of the Board.

It was reported that some additional things had been included, not included in the accounts by previous auditors. No other issues had been flagged in relation to previous accounting standards or missing elements that should have been included. Some of the changes were as a result of having two separate sets of external auditors.

Interim Director of Finance took the Board through the accounts and questions and comments were welcomed:

1. A contents page was now included.
2. xxxxxxxxxx last day on the Board had been stated and other information relating to start and finish dates was now aligned to information on Companies House website. xxxxxxxxxx had been confirmed as external auditors.
3. It had been clarified the Company is a private company limited by shares, incorporated in England and Wales.
4. The abbreviation VOA had been defined as Valuation Office Agency and an error in relation to the cash balance at the end of the period had been corrected from £3.2m to £3.3m.
5. A paragraph had been added to reflect the significant amount of capital works the Company undertakes for the benefit of the Operating Health Facility, including the works to decarbonise the HDH site, as well as supporting the refurbishment and backlog maintenance requirements of the site
6. As HIF is described as a large organisation (£15m), it should have had, since its inception, a statement relating to the Directors' responsibilities under Section 172 of the Companies Act. This had not previously been included but should have been as the requirement had been in place for a number of years. The statement, relating to the responsibilities of directors, adoption of policies in place regarding employees and stakeholders, was shared and noted. The statement also included the group's values and how staff are valued.

The Chair noted concern that this had not previously been included and that it was reassuring to see this requirement was now included. Any other suggestion for inclusion were welcomed, although the short timescale for inclusion was noted. The external auditors had confirmed this included what they would expect to see in the statement.

7. The Deficit shown in the Profit and Loss Account remained as previously shown.
8. The Balance sheet – to be signed and dated – should also include the registered company number, again not a new requirement, but had not previously been included.
9. Under Accounting Policies (1) a change had been made to reflect the Company applies UK adopted international accounting standards, replacing the EU version of international reporting standards.
10. Under Expenses (1.5) a statement on operating lease payments is not required and had therefore been removed. IFRS16 had been implemented this year for the NHS, previously exempted, it had been adopted a number of years ago in

	<p>private industry. The statement was removed due to how leases are dealt with in terms of accounting for and impact on profit and loss. The note was a legacy from the Company's NHS days and the accounting has been addressed.</p> <p>11. A note had been included in relation to post year-end change around the Corporation Tax rate of 25% to state that "A UK corporation tax rate of 25% was enacted on 24 May 2021 and is effective from 1 April 2023" but this did not affect these accounts.</p> <p>12. Under Remuneration of Directors (7) with reference to pension contributions a note had been included to state: "Company pension contributions of £12k were made on behalf of the Director as part of the Defined Benefit plan outlined in note 9. No other pension contributions were made to Directors."</p> <p>13. Previously the Company had a negative creditor of 18 and on the recommendation of Saffery Champness this had been re-categorised.</p> <p>The Chair noted that year-on-year this looked like a significant change, totalling £1m. Interim Director of Finance advised that this related to the significant capital works, greater than in previous years, particularly in relation to Salix and the corresponding increase in VAT reclaimed.</p> <p>It was agreed that Interim Director of Finance and xxxxxxxxxx would supply information on this and lessons had been learned in terms of future years and staging how this feeds into the accounts. The Governance and Compliance Committee would be asked to look at how VAT is managed. ACTION: Interim Director of Finance / xxxxxxxxxx</p> <p>14. Under Right of use leased asset payables (14) the statement had been removed as it was not required to disclose this on the Balance Sheet.</p> <p>15. Under Related party transactions (17) a statement had been added to say "In accordance with the exemptions in FRS 101 the Company is not required to disclose related party transactions with key management personnel or between members of the Group. The Company has not completed any related party transactions with any other entities or parties."</p> <p>It was confirmed that the figures in the accounts had been agreed apart from figures relating to sampling work looking at estates - PPE and valuations - to be undertaken, and the accounts were ready to be approved if there were no further comments from the Board.</p> <p>There were no further comments from those present and Board members agreed they were happy to approve the accounts as presented, subject to accepting the text shown in blue and the inclusion of the auditor's opinion.</p> <p>In response to a question from the Chair, Interim Director of Finance confirmed the timeline for submission of the accounts to Companies House. Once signed off and submitted, confirmation would be sought of receipt and that they were able to scan and upload on to their website before 31st March. Interim Director of Finance assured the Board that he would be personally responsible for ensuring this, in addition to following up with Companies House how the Company could use the online uploading facility for future year's submissions.</p>
HIF/03/06/6	Any Other Business
	There were no further items of business.
HIF/03/06/7	Date and Time of Next Meetings
	Tuesday 28 th March 2023 – HIF Board Workshop Tuesday 25 th April 2023 – HIF Board Meeting

	The meeting closed at 3.16pm.
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