

**Minutes of Shire Audit Committee Meeting  
Held on 18 June 2024  
at 18:00pm via Microsoft Teams Application**

**PRESENT:** H Carr, L Gallacher, R Morris

**CONVENOR:** H Carr

**IN ATTENDANCE:** J Munro (Chief Executive, CE)  
C Donnelly (Director of Corporate Services, DCOR)  
S Beattie (Director, Audit and Head of RSL, CT)  
S Pringle (Internal Audit Director, Wylie & Bisset)

**APOLOGIES:** None

**ABSENT:** None

**LOFA:** B Cuthbertson

The meeting commenced at 18:00.

**The Convenor welcomed members, S Pringle, of Wylie & Bisset, and S Beattie, of CT, to the meeting.**

Item		Action
<b>1.0</b>	<b>Formal Business</b>	
1.1	<u>Apologies</u> No apologies were received.  The Audit Committee acknowledged B Cuthbertson’s ongoing Leave of Absence, which was originally agreed by the Board on 28 February 2024 and extended for a further 3 months on 29 May 2024.	
1.2	<u>Declaration of Interest</u> None.	
1.3	<u>Minutes of the Meeting Held on 12 March 2024</u> The Convener presented the minutes of the meeting and invited comment or corrections.  <b>The Audit Committee agreed the minute as a true and accurate record of the meeting held on 12 March 2024.</b>	
1.4	<u>Action Plan</u> - <b>Item 2.1 – Damp and Mould</b> The CE advised members that the Damp and Mould policy is being updated to reflect recommendations from the Internal Audit of Damp and Mould. Following legal advice, the Association will ask Board to approve for the Damp and Mould policy to reference the same procedures for forcing access on the same basis as existing regulatory	

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	rules i.e. for gas servicing and EICRs.	
	<p><b>The Audit Committee noted the contents of the Action Plan.</b></p>	
1.5	<p><u>Matters Arising</u> None.</p>	
1.6	<p><u>Notifiable Event</u> None.</p>	
2.0	<p><b>Items Requiring a Committee Decision</b></p>	
2.1	<p><u>Internal Audit – Annual Report 2023/24</u></p>	
	<p>S Pringle, of Wylie &amp; Bisset, presented the Annual Report to the Audit Committee for consideration. The report highlighted that Wylie &amp; Bisset have concluded that the Association has adequate and effective risk management, controls, and governance processes to manage its achievement of the Association’s objectives. Furthermore, the report concluded that the Association has proper arrangements to promote and secure value for money.</p> <p>S Pringle confirmed that four reviews were carried out in 2023/24, with two ‘Strong’ and two ‘Substantial’ gradings achieved. The Audit Committee welcomed the report, and the reassurance provided, given that the Association achieved a lower number of recommendations in comparison with the associations it has been benchmarked against.</p> <p>S Pringle confirmed to members that the number of days allocated for audit is appropriate. This, along with the broad scope of reviews, allows the audit process to be robust enough to give an opinion.</p> <p>The Convenor thanked S Pringle for his report.</p> <p>The Convenor of the Audit Committee confirmed to members that a confidential session with S Pringle will be held at the end of the meeting.</p> <p><b>The Audit Committee noted the content of the report.</b></p>	
2.2 & 2.3	<p><u>CT Audit Summary Report, Letter of Representation and Draft Financial Statements</u></p>	
	<p>S Beattie, of CT, presented the findings of the External Auditor’s Report and advised that no points of concern were identified.</p> <p>The Audit Committee noted that no control weaknesses were identified, and no audit adjustments made.</p> <p>S Beattie presented the Letter of Representation, confirming that it is fully standard, with no specific additional representation required from the Board.</p>	

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	<p>S Beattie took the opportunity to thank the Shire staff team for the information provided in advance of the audit and noted the efficiency of the team.</p> <p>The Convenor thanked S Beattie for his report.</p> <p>The Convenor confirmed to members that a confidential session with S Beattie will be held at the end of the meeting.</p> <p>The DCOR introduced the report to the Audit Committee, advising that the draft Financial Statements are similar to the March 2024 Management Accounts already approved by the Board in April 2024.</p> <p>The DCOR confirmed that, following Audit Committee’s approval, the Draft Financial Statements will be presented to the Board at their meeting on Wednesday 26 June 2024 for approval and signed thereafter. L Gallacher confirmed that he is available to sign via DocuSign.</p> <p><b>The Audit Committee noted the Draft Financial Statements and the findings of the audit from CT. The Audit Committee recommended the accounts for approval, together with the approval of the Representation Letter for signing by the Management Board at its meeting on 26 June 2024. It is planned that electronic signing will take place on Thursday 27 June. The Committee also recorded its thanks to the staff team and auditors for the quality of the work presented in the accounts.</b></p>	
3.0	<p><b>Items for Discussion</b> <u>None.</u></p>	
4.0	<p><b>Reports for Information Only</b></p>	
4.1	<p><u>Internal Audit – Finalised Report on Damp and Mould</u></p> <p>The DCOR presented the report to the Audit Committee. The purpose of the report was to provide the Audit Committee with the finalised Internal Audit Report on Damp and Mould following the Audit Committee’s request at the March 2024 meeting for the report to be updated to make it clearer where the issues were administrative, rather than a performance failing.</p> <p><b>The Audit Committee noted the finalised report.</b></p>	
4.2	<p><u>Information Requests</u></p> <p>The DCOR presented the report to the Audit Committee, confirming that two new Freedom of Information Request, and no new Subject Access Requests, have been received since the last report in March 2024.</p> <p><b>The Audit Committee noted the content of the report.</b></p>	

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<p><b>5.0</b> 5.1</p> <p><b>6.0</b></p>	<p><b>AOCB</b></p> <p><u>Private Session with Auditors – (this section of the minute was provided by the Convenor)</u></p> <p>JM and CD left the meeting, and the Committee members met with CT and W&amp;B for a confidential session. The Convenor asked both firms for any comments and feedback on the external and internal audit processes. Both gave positive feedback to the committee, and raised no issues that they believed needed the committee’s attention. They complimented the openness and cooperation from all Shire staff, and reaffirmed the positive report provided earlier in the meeting. They also highlighted the quality of preparation and the underlying business understanding and controls.</p> <p><b>Date of Next Meeting:</b></p> <ul style="list-style-type: none"> <li>• Date: Aug/Sep 2024 – DCOR to circulate dates.</li> <li>• Venue: remotely</li> </ul> <p>Meeting Concluded at 18.48</p> <p>I confirm this Minute is a true and accurate record of the meeting: -</p> <p>Convenor _____</p>	