

Minutes of Meeting of Audit
Scotland held in the offices of
Audit Scotland, 110 George
Street, Edinburgh on Friday 23
June 2006 at 3pm.

PRESENT: A MacNish (Chair)
R W Black
C Gardner
P Taylor

H Hall, Managing Director Audit Services (Special Adviser to the
Board)

IN ATTENDANCE: D McGiffen, Director of Corporate Services
R Frith, Director of Audit Strategy
W F Magee, Secretary

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Minutes
3.	Remuneration Committee
4.	Annual Report and Accounts 2005/6
5.	Accountable Officer's Report
6.	Fixed Point Salary Group Pay Award
7.	Performance Report for Year Ending 31 March 2006
8.	Finance Report
9.	Future Meetings

1. Apologies

Apologies for absence were submitted on behalf of John Baillie.

2. Minutes

There were submitted and approved the minutes of meetings of 22 February and 29 March 2006.

3. Remuneration Committee

There were submitted and noted the minutes of meeting of the Remuneration Committee of 29 March 2006.

4. Annual Report and Accounts 2005/6

It was reported that the Audit Committee met earlier in the day and considered the Annual Report and Accounts 2005/6. The Committee met representatives of the external auditors and discussed the accounts with them. Audit Scotland agreed to accept the recommendation of the Audit Committee that the Annual Report and Accounts as submitted be approved.

5. Accountable Officer's Report

There was submitted a report by Robert Black as the Accountable Officer updating the Board on progress in Audit Scotland since its last meeting. The report covered the following areas –

- Business performance
- Supporting democratic scrutiny
- Maximising the value of the audit
- Efficiency Government
- Relationship with Parliament
- Review of Scrutiny
- Meeting with Ministers
- Organisational development
- Relationship with other audit agencies
- International activities
- Staffing and other issues.

Discussion of the report covered a number of areas including –

- The success of the procurement process for which the Audit Strategy team were congratulated
- The relationship between the Scrutiny Review by the Executive and the current examination by the Finance Committee of the Scottish Parliament
- The timing of office moves affecting the East Kilbride office.

Thereafter Audit Scotland noted the report.

6. Fixed Point Salary Group Pay Award

With reference to paragraph 2 of the minutes of meeting of 29 March 2006 there was submitted and noted a report by Robert Black advising the overall effect of the salary awards made to the fixed point salary group.

7. Performance Report for Year Ending 31 March 2006

There was submitted a report by Diane McGiffen updating Audit Scotland on business performance during the year to 31 March 2006. Appendices to the report covered –

- Corporate performance indicators
- Progress on Performance Audit studies
- Corporate working groups.

Discussion of the report covered the following areas –

- Percentage of invoices paid within target times
- Use of agency staff
- Impact of under spend in 2005/6
- Overall level of increase in staff salaries oncosts.

Thereafter Audit Scotland agreed to welcome and note the report.

8. Finance Report

There was submitted and noted a report by Diane McGiffen updating the Board on Audit Scotland's financial performance during the year to 31 March 2006.

9. Future Meetings

It was agreed that the next meeting will take place in the afternoon of Wednesday 20 September 2006.