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## MINUTES

Meeting of: Scottish Futures Trust  
Audit Committee

Date & Time: 3.00pm 4<sup>th</sup> November 2009

Place: Noble Grossart, 48 Queen Street, Edinburgh

Attendees: Graeme Bissett (GB) - Chair  
Cllr Jim Fletcher (JF)  
Barry White, Chief Executive – in attendance (BW)  
Peter Reekie, Director of Finance – in attendance (PR)  
Nick Bennett, Audit Partner – Scott Moncrieff – in attendance (NB)

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### **The Chairman opened the meeting.**

There were no apologies.

### **Minutes of the Previous Meeting**

The minutes of the 23 September meeting were adopted as a true and fair record.

### **1. 08/09 Annual Report and Financial Statements**

PR presented to members:

- a) the draft Annual Report and Financial Statements;
- b) a paper on Accounting Matters summarising the accounting practices, systems and controls adopted by the Company during the period;
- c) a summary of the Company's reporting compliance with the Combined Code on Corporate Governance;
- d) a letter from Scottish Government confirming funding during the period; and
- e) a draft Board representation letter to the Auditors, annotated to substantiate the statements made in the letter.

Members of the committee discussed and noted the papers, and in particular agreed to the assessment of the going concern basis of preparation.

BW and PR left the room for members of the Audit Committee to meet in private with the Auditor, with no members of the executive team present. No matters of concern were noted.

BW and PR returned to the meeting

The Committee decided to recommend that the Board adopt the 08/09 Annual Report and Financial Statements.

**2. VAT position**

PR updated members of the committee on the lack of progress with SG on VAT registration following the previous meeting. Members noted concern over progress and the Board's position given lack of registration. The Committee resolved to recommend to the Board that PR be asked to advise Scottish Government that the Company would have no alternative but to proceed with registration in its own right if substantive progress is not made by end November 2009.

**3. Board Reserved Powers**

The Chairman noted the requirement for the Board to formally adopt a statement of reserved powers. The committee discussed the draft statement presented by PR and decided to recommend its adoption by the Board, noting that it should be further reviewed and refined over the coming months.

**4. Whistleblowing Policy**

PR presented a draft whistleblowing policy, and in particular the nomination of :

- the Chair of the Audit Committee as a non-executive contact for whistleblowing;
- Jane McLeod, a senior civil servant within the Justice department of Scottish Government, as the external whistleblowing contact.

The Committee resolved to adopt the whistleblowing policy and asked PR to make it known to all staff.

**5. AOB**

There was no other business

**6. Date of next Meeting**

Audit Committee meetings for 2010 will be arranged for audit planning and reporting purposes and included in the 2010 Board meeting programme once agreed.