

Audit Board Minutes
Date: 12 July 2024
Location: Mayor Street

In attendance: Seamus McCarthy (Chair), C&AG
Colette Drinan, Secretary and Director of Audit
Andy Harkness, Director of Audit
Deirdre Quaid, Director of Audit
Mitchell McIntyre, Deputy Director, secretary to the Audit Board
Sinéad Foy (Deputy Director) attended for agenda item 6b
Orla Duane (Deputy Director) and Niall Mulligan (Audit Manager) attended for agenda item 6c

1. Agreement of agenda

The draft agenda was agreed.

2. Noting of any conflicts of interest

No conflicts of interest were reported in relation to the items scheduled for discussion at the meeting.

3. Minutes of previous meeting, matters arising and action list

The minutes of the meeting of 26 March 2024 were agreed with minor amendments and approved for publication on the Office intranet and website.

The action list was reviewed and discussed.

- The Board noted progress made on the project to develop a legislative summary database. Legislation summaries have been prepared and quality review of the summaries are expected to be complete by December 2024. The action item was revised accordingly.
- The Board noted that the internal documentation process in relation to evaluating protected disclosures and communicating with the reporting person was discussed by Management Board on 14 May 2024. The Board also noted that the revised *Policy on disclosures to the Office of the Comptroller and Auditor General* was posted on the Office website on 24 April 2024. This action point was closed.
- The Board noted that the disclosure log was reviewed and older disclosures were closed where actions to follow-up concerns were complete. This action point was closed.
- The Board reviewed a note on the legal structure and administrative arrangements of the Market Cap Fund and agreed to close this action point.
- The Board noted that the Secretary and Director of Audit wrote to the Department of Public Expenditure, National Development Plan Delivery and Reform in relation to the implementation of accruals accounting. The communication emphasised that the necessary legislative underpinning should also address the issue of publication of the audited financial statements together with the contemporaneous publication of the report on the accounts of the public services. This was particularly relevant in the context of advancing timelines and the associated resourcing requirements. This action point was closed.

The Board noted that the Quality and Standards Unit is preparing a paper for the next Board meeting summarising the Corporate Sustainability Reporting Directive and its implications for the Office and audited bodies.

4. Emerging risks

The Board noted a potential risk related to the controllability of access to audit information using the OGCI0 hosted interdepartmental HIVE platform.

5. Financial audit programme (paper A)

The Board noted the paper which reported progress to date on the Office's three financial audit KPI targets for 2024. The paper also noted that eight accounts with periods ending in 2022 were certified since the last Board meeting, with progress made in the remaining two uncertified 2022 accounts.

6. Performance audit programme

a. Status of performance audits (Paper B)

The Director of Performance Audit gave the Board an overview of the status of chapters for the Report on the Accounts of the Public Services 2023 and the status of ongoing special reports.

b. Non-compliant procurement trends (Paper B.1)

The Director of Performance Audit gave the Board an overview of the paper which analyses trends in instances of non-compliant procurement in audited bodies. The Director noted the work of Magda Artim in preparing the analysis.

The Board discussed the analysis and provided feedback on its presentation.

c. Performance audit sectoral coverage (Paper B.2)

The Board noted the paper which compares performance audit outturn over the period 2021-2023 against the expected reporting coverage frequency for individual sectors as set out in the Office's performance audit strategy (2021-2025).

Coverage was in line with the strategy for many sectors, but output for a few sectors was not as frequent as planned. The Director for Performance Audit noted the paper will be updated and reviewed when selecting next year's performance audits.

The Board requested an update on the section of the paper on unreported examinations to include the number of hours/days spent on these projects.

The Board recommended minor changes to the paper's presentation and agreed to receive the paper annually.

7. New/final audits (paper C)

The Board noted the paper and agreed the changes presented. The Directors gave further updates regarding the 'first accounting period' and 'assigned Deputy Director' for a number of new audits.

It was agreed to remove the following entities from the list of new audits because the entities have been established and the audit team assigned.

- Domestic, Sexual and Gender-Based Violence Agency
- LDA Public Services DAC
- LDA Residential Holding DAC
- Market Cap Fund

The audits of the final accounts of the following clients have been completed, and they are therefore removed from the tables.

- Environment Fund

8. Quarterly legislative update (paper D)

The Board noted this paper.

9. Disclosures log (paper E)

The Board noted the paper, which sets out summary details of disclosure cases that are currently open and those that have been closed since the last meeting.

The Board requested that, for future meetings, the presentation be simplified to improve the readability of the paper.

10. Proposed 2024 y/e audits for EQR (paper F)

The Board approved the 2024 account year-end audits proposed for EQR as presented in the paper.

The approved list will be saved to the management information drive and the EQRs assigned.

11. Strategy implementation progress report (paper G)

The Board noted the paper and welcomes the progress the Office is making in completing the strategy actions underpinning the Office Statement of Strategy 2021-2025. The Board discussed some of the outstanding actions listed in the paper. The Board also discussed planning for the 2026-2030 strategic plan, and requested a roadmap outlining the timeline for completion of the plan be provided at the Q4 2024 meeting.

12. Monitoring and Ethics Director Annual Report 2023 (paper H)

The Board noted the Monitoring and Ethics Director Annual Report 2023.

The Board discussed the control to review financial audits certified under delegated authority. As the delegated authority process is now well established, the Board agreed that the control will focus on a review of audits certified by staff who were recently given delegated authority.

13. Any other business

The secretary to the Board provided an update on the preparation of the Office Performance Report. The report is expected to be ready for publication in August.

The next regular Audit Board meeting is scheduled for Friday 11 October 2024.