

National Park Authority Audit Committee Meeting



Minutes of Meeting held at 3.00pm on 12th September 2017
Robert Grieve Suite, National Park Headquarters, Balloch

Present: Lindsay Morrison (LM) (Chair)
David McCowan (DMcC)
Angus Allan (AA)

In Attendance: Gordon Watson (GW), Chief Executive Officer
Jaki Carnegie (JC), Director of Corporate Services
Catriona Morton (CM), Financial Performance Manager
Colin McDougall (CMcD), Audit and Risk Manager, WDC
Gareth Kelly (GK), Associate Director, Grant Thornton
Lindsay Robertson, Senior Manager, Grant Thornton
Deborah Spratt (DS) (Clerk)

Observer: Eilidh McKerry (EMcK), Management Accountant

Apologies: Hazel Sorrell (HS)
David McKenzie (DMcK)

Item	Action	Action by
1	<p>Welcome and Apologies</p> <p>The Chair welcomed everyone to the meeting and noted that there were no members of the public in attendance.</p> <p>Apologies were noted from HS and DMcK.</p>	
2	<p>Declarations of Interest</p> <p>There were no Declarations of Interest.</p>	
3	<p>Minutes of Meeting held on 27th June 2017</p> <p>The minutes were proposed by DMcC and seconded by AA.</p>	
The Chair took the Confidential items at this point		
16.	<p>First Closed session minute of meeting held on 27th June 2017</p> <p>The closed session minutes were proposed by DMcC and seconded by AA.</p>	
17.	<p>Second Closed session minute of meeting held on 27th June 2017</p> <p>The closed session minutes were proposed by DMcC and seconded by AA.</p>	

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4	<p>Matters Arising</p> <p>JC provided an update as follows:</p> <p><u>Board Member Training (on-going)</u> All members have signed up to the On Board training in October.</p> <p><u>Internal Audit on Employee Licences / Vehicle Checks (open)</u> JC reported that we have a new Scottish Government Sponsor Hub and a meeting has been organised with the Head of the Unit, Morag Williamson and her team on 24th October. Guidance will be sought on the outstanding action regarding the recommended car insurance for Board members and will report back at the next Audit Committee meeting.</p> <p><u>Update on Corporate Risk Register (open)</u> Discussion took place later on the Agenda.</p> <p>All other actions are now closed.</p> <p>ACTION: JC will report back to Audit Committee at the next meeting on the recommended car insurance for Board members following discussion at the SG Sponsor Team meeting on 24th October.</p>	JC
5	<p>Annual Report to Members – Grant Thornton</p> <p>GK presented the draft External Audit Annual Report to the Board and the Auditor General for Scotland for financial year 2016/17.</p> <p>GK expressed his thanks to Catriona, Eilidh and the Team for their hard work and professionalism in completing the Accounts and confirmed that Grant Thornton were pleased to be in a position to sign off the Accounts at this meeting.</p> <p>The Chair thanked GK and LR.</p> <p>Members noted the report.</p>	
6	<p>Letter of Representation to External Audit</p> <p>CM presented the Letter of Representation which is provided to the External</p>	

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	<p>Auditors in connection with the audit of the financial statements of the National Park for the year ended 31st March 2017 to show that the financial statements give a true and fair view in accordance with reporting standards.</p> <p>ACTION: Members confirmed that they were content and recommended for GW to sign the Letter of Representation to the External Auditors.</p>	<p>GW</p>
<p>7</p>	<p>Final Accounts for the Financial Year ended 31st March</p> <p>CM presented a summary of the key changes in the final Annual Accounts since the version issued to Board Members on 13th June 2017 in particular the prior period adjustment in relation to General Reserves and Revaluation Reserve, minor working changes and formatting.</p> <p>Discussion took place regarding the reserves in the Financial position statement and it was agreed that CM and EMcK would discuss why the Donated Asset Reserve is shown on a separate line. GK mentioned that there may be rules in the FReM for showing this separately.</p> <p>DECISION: LM confirmed that he had discussions with both GK and CMcD and there was nothing of concern raised. LM thanked CM, EMcK and staff involved on behalf of the Committee/Board for all their efforts in preparing the Final Accounts.</p> <p>Members approved the Final Accounts and recommended for GW to sign.</p> <p>ACTION: CM and EMcK to review the Asset Reserves and discuss why the Donated Asset Reserve is shown on a separate line.</p>	<p>GW</p> <p>CM/EMcK</p>
<p>8</p>	<p>Internal Audit Report - Banking</p> <p>CMcD presented the Banking Review Audit which highlighted that opportunities exist to strengthen internal controls and enhance the service provided.</p> <p>It was noted that the Scottish Public Finance guidance manual states that all organisations should use the same banking provider.</p>	

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	<p>It has been agreed that the Park Authority will change to the same provider, however, as this is up for renewal in 2018 it has been agreed to hold on moving until the new contract is in place.</p> <p>It was noted that the movement to the two tier payment system for payments will take place before November 2017.</p> <p>ACTION: The change of banking provider needs to be revisited and in the meantime discussion to take place with the Park Authorities current provider, Clydesdale Bank.</p>	<p>CM</p>
<p>9</p>	<p>Outstanding Actions Update</p> <p>CM presented the Outstanding Actions Update arising from internal audit work completed during 2016/17 and 2017/18 and on the fixed assets outstanding actions.</p> <p>DECISION: Members noted the report and the one action that is behind schedule with all other actions not yet due for completion.</p> <p>Members were content with the outstanding actions in relation to fixed assets and from internal audits that have taken place in 2016/17 and 2017/18.</p>	
<p>10</p>	<p>Confidential – Corporate Risk Register</p> <p>JC presented the Corporate Risk Register and explained that going forward the Corporate Risk Register will not be shared publicly.</p> <p>Members noted the remaining high level risks along with the eight risks three of which have increased, two remained the same and three have reduced.</p>	
<p>11</p>	<p>Draft Audit Committee Annual Report to Board</p> <p>Members noted the contents of the draft report which will be presented formally to Board Members at the Board meeting in December, and issued for information at the Board meeting on Monday 18th September.</p> <p>DECISION: Members confirmed that they were content with the report and that it covered the key elements of the year.</p>	

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	<p>ACTION: JC and CM to finalise when the 2016/17 accounts and annual reports will be submitted to Scottish Government.</p>	JC/CM
12	<p>Terms of Reference for Audit Committee</p> <p>JC presented the revised Terms of Reference for the Audit Committee.</p> <p>Members debated the content in relation to some of the terminology in particular at 1.2 the words 'should have' would change to 'would ideally have' and the word 'advise' would change to 'provide assurance'.</p> <p>DECISION: Committee confirmed that they were content for these amendments to be made.</p> <p>ACTION: JC agreed to amend the Terms of Reference for the Audit Committee and will issue a new version for approval.</p>	JC
13	<p>Policy Updates</p> <p>JC presented the Whistleblowing Policy which is the first of the Park Authority Policies for Committee's consideration.</p> <p>DECISION: Members unanimously agreed the revised policy.</p> <p>ACTION: LM requested for Committee members to see a list of all Policies and the dates of when they were revised.</p>	JC
14	<p>Any Other business</p> <p>There was no other business to discuss.</p>	
15	<p>Date of Next Meeting</p> <p>The next meeting will be held on Tuesday 5th December 2017.</p>	

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Signed _____

Lindsay Morrison, Chair