

National Park Authority Audit Committee Meeting



Minutes of Meeting held at 2.30pm on 27th June 2017
Trossachs Room, National Park Headquarters, Balloch

Present: Lindsay Morrison (LM) (Chair)
David McCowan (DMcC)
David McKenzie (DMcK) - part
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
Sharon McIntyre (SM) Committee Officer (Clerk)

Observer: Eilidh McKerry (EMcK), Management Accountant

Apologies: Hazel Sorrell (HS)

Item	Action	Action by
1	Welcome and Apologies The Chair welcomed everyone to the meeting and noted that there were no members of the public in attendance. Apologies were noted from HS. The Chair welcomed AA who has joined Audit Committee.	
2	Declarations of Interest There were no Declarations of Interest.	
3	Minutes of Meeting held on 7th March 2017 The minutes were proposed by DMcC and seconded by DMcK.	
4	Minutes of Closed Session held on 7th March 2017 Agenda item 4 was held in closed session.	
5	Matters Arising	

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	JC reported that all of the actions are now closed apart from the training action which is on-going and will continue to be updated.	
6	<p>Internal Audit on Employee Licences / Vehicle Checks</p> <p>CMcD presented WDC's report on the Internal Audit: Employee Licences / Vehicle Checks. CMcD noted that this is a positive report with areas of good practise noted on page 2 and recommendations detailed on pages 5 and 6.</p> <p>DMcK raised whether Board members should have business insurance when using their vehicles on Park Authority business.</p> <p>ACTION: Guidance to be sought from Sponsor team regarding the recommended car insurance for Board members and for this guidance to then be circulated to members.</p> <p>DECISION: Members noted the report.</p>	JC
7	<p>Internal Audit Opinions</p> <p>CMcD presented the Internal Audit Opinions which internal audit has been using to form an opinion.</p> <p>DECISION: Members noted the report.</p>	
8	<p>Final Internal Audit Annual Report for 2016/17</p> <p>CMcD presented the Final Internal Audit Annual Report for 2016/17 informing members that from 1st April 2016 to 31st March 2017 very effective arrangements have been in place in relation to the Park Authority's systems of governance, risk management and internal control.</p> <p>ACTION: Members requested circulation of the assurance statements signed by the Executive Team on the operation of the internal financial controls for the services for which they were responsible during the year to 31 March 2017; and the assurance statement signed by the Chief Executive for the overall Park Authority for the year ended 31 March 2017.</p> <p>Members discussed the consideration of routine publication of the assurance statements.</p> <p>Members noted that the second column of appendix 1 should detail 'Target</p>	JC

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	<p>met' instead of 'Complete' for future reporting.</p> <p>Members discussed the use of a client satisfaction questionnaire. JC advised that this could be progressed in 2017/18. CMcD to circulate current document to JC/CM to allow for discussion if any adjustment is required to this.</p> <p>ACTION: CMcD to circulate internal auditor client satisfaction questionnaire for future discussion.</p> <p>DECISION: Members noted the report.</p>	CMcD
9	<p>Outstanding Actions Update</p> <p>CM presented the Outstanding Actions Update which reports on the outstanding actions arising from the internal audit work completed during 2014/15, 2015/16 and 2016/17.</p> <p>DECISION:</p> <ul style="list-style-type: none"> - Members confirmed clearance of the following actions: The completion of nine actions since the last quarter's report (Appendix 1): two in relation to Absence Management; five in relation to Health & Safety; one in relation to Controls Risk Self-Assessment; and one in relation to IT Healthcheck. - Members noted the four actions outstanding in relation to fixed assets (Appendix 2) and the ten actions outstanding from the six internal audits that have taken place in 2016/17 (Appendix 3). <p>The Chair requested review of the timeline for completion of item 6 to allow this recommendation to be completed prior to February 2018.</p> <p>ACTION: JC to discuss completion of item 6 prior to February 2018 with Facilities Manager. This recommendation is 'Fire risk assessments should be carried out in line with review period and any recommendations implemented timeously'.</p>	JC
10	<p>Internal Audit Plan for 2017/18</p> <p>JC advised that this paper outlines the confirmed Internal Audit work planned for completion in 2017/18 and the date to be reported to the Audit Committee.</p> <p>DECISION: Members noted the report</p>	

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11	Annual Report to Members	
12	Letter of Representation to External Audit	
13	Final Accounts for the Financial Year ended 31st March 2017 <p>CM provided an update to members regarding the finalisation of the annual accounts. CM advised that Grant Thornton have requested that we provide evidence of property valuations as at 31 March 2017 to support the values shown in the Balance Sheet and this requires a report to be prepared by a professional valuer. This may result in changes to the asset balances as currently presented but these will be non-cash adjustments and are for technical accounting reasons only.</p> <p>The annual accounts will be signed at the September 2017 Audit Committee with the final version of the accounts expected to be issued to all Board Members by 31 August 2017.</p> <p>Members discussed this position extensively. It was agreed for future years that Grant Thornton will work closely with JC / CM and agree the accounting policy and materiality levels well in advance of the year end, ensuring that the requirement for external valuations are proportionate to the risk and cost base of the Authority.</p> <p>ACTION: Board members to be updated on the current position of the annual accounts.</p> <p>ACTION: Final version of accounts expected to be issued to all Board Members by 31 August 2017.</p> <p>DECISION: Members noted the report</p>	<p>JC</p> <p>CM</p>
14	Best Value Update <p>CM presented the Best Value Action Plan update for review. CM advised that there are twenty actions on this two year plan, 11 have been completed to date. An annual report will be provided to Audit Committee in future therefore this will no longer be presented in an action plan format.</p> <p>DECISION: Members noted the report</p>	
15	Register of Interests Review	

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	<p>CM advised that as part of the Annual Accounts preparation process a review of senior staff and Board member interests was completed. CM advised that there are no material transactions that require disclosure in the Annual Accounts as a related party.</p> <p>DECISION: Members noted the report</p>	
16	<p>Update on Corporate Risk Register</p> <p>JC presented the 2017-18 Corporate Risk Register advising of the updates made to the Corporate Risk Register following presentation to the Audit Committee. JC advised that of the 8 risks, 1 risk rating has increased, 3 have remained the same, and 4 have reduced. JC provided an overview of the 2017-18 Corporate Risk Register.</p> <p>Members discussed risk, GK advised he would be happy to hold a session on risk.</p> <p>ACTION: Risk session to be arranged around the next Audit Committee meeting.</p> <p>DECISION: Members noted the updated progress on the 2017-18 Corporate Risk Register.</p> <p><i>DMcK left the meeting</i></p>	DS
17	<p>Professional Judgement Framework</p> <p>CM advised members of the professional judgement framework which was issued by ICAS (The Institute of Chartered Accountants of Scotland) in 2016 and where this guide can be located for review.</p> <p>DECISION: Members noted the report</p>	
19	<p>Any Other Business</p> <p>JC advised that the notes from the Reviewing the Effectiveness of the Audit Committee training will be shared and used as an action plan.</p>	

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20	Date of Next Meeting	
	Tuesday 12 th September 2017. <i>All officers apart from GW and SM left the meeting.</i>	
18	Confidential Business	
	Agenda item 18 was held in closed session.	

Signed _____

Lindsay Morrison, Chair