

National Park Authority

Audit Committee Meeting

Agenda Item 17



Professional Judgement Framework

Paper for noting

1. Purpose

The purpose of this paper is to advise Members of a professional judgement framework that was issued by ICAS (The Institute of Chartered Accountants of Scotland) in 2016. The ICAS website states:

“Irrespective of whether you are an auditor, a preparer, an audit committee member or a regulator this practical guide provides a structure which aims to help you come to a sound judgement when you have a complex financial or narrative reporting decision to make. It can be used by accountants and non-accountants, whether in the private or not-for profit sectors, irrespective of size and type of organisation and where based in the world.”

“The framework identifies core principles and provides a structured process to guide decision makers through how to make, assess and document significant judgements. It targets significant judgements across narrative and financial reporting including accounting treatment, materiality and disclosures. It is designed to fit within the context provided by applicable accounting standards.”

“The 2016 edition is shorter and more interactive for online readers. Importantly, it also includes a new framework for audit committee members and further material on ethical decision making. It also has been broadened to make it more widely applicable internationally, as well as across different sectors.”

2. Recommendation

It is recommended that Members read the guide, in particular the sections relevant for Audit Committee Members. The guide can be downloaded here:

<https://www.icas.com/technical-resources/a-professional-judgement-framework-for-financial-reporting>).

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