



Draft Governance Statement

Agenda Item 11

National Park Authority Audit and Risk Committee

Tuesday 7th June 2022

Paper for approval

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1. Purpose

- 1.1. To present the proposed Governance Statement on internal control which is required as part of the Annual Accounts statements under the Government Financial Reporting Manual. This is attached at **Appendix 1**.
- 1.2. Much of the document is prescribed by the Scottish Public Finance Manual and organisations are required to outline how they have addressed the requirements.

2. Recommendation

- 2.1. Members are requested to confirm the appropriateness of assertions made in the draft Governance Statement on internal control prior to approval of the Annual Accounts for 2021/22 and subsequent signature by the Chief Executive. Please note that the final wording may change slightly as part of the accounts finalisation process and sections included in [square brackets] will be updated after these are completed.

3. Changes from 2020/21 Governance Statement

- 3.1. The main changes in the 2021/22 Governance Statement are as follows:
 - Update to reflect the number of Committee meetings;
 - The outcomes from the Board and its Committees;
 - The areas of internal audit review;

- Confirmation of appointment of Mazars as External Auditors for 2022/23 to 2026/27
- Update of temporary COVID-19 governance arrangements
- Update on the Corporate Risk Register and Risk Management Framework
- Update to the data security section to reflect the work carried out during the year with regards to IT information security and GDPR

4. Considerations

- 4.1. Looking forward, 2022/23 will bring changes in governance, with new External Auditors and changes to the Board. With the Board elections and changes to committee membership imminent, we will be required to ensure comprehensive inductions so that all are comfortable with what Loch Lomond and The Trossachs National Park Authority do, as well as with our governance functions, corporate and financial performance reporting, and statutory accounts.
- 4.2. This, coupled with the upgrade to the existing Finance system and the implementation of the new IFRS 16 leasing standard in 2022/23, mean that there are likely to be additional demands on staff resources.
- 4.3. Once the new membership for the Audit & Risk Committee is confirmed, we will work with ARC members to consider their training requirements to make this as smooth as possible. This will be in addition to “The Effective Audit and Risk Committee” training, delivered by On Board.
- 4.4. Our Finance Manager is planning to engage with our current External Auditors, Grant Thornton, around auditor handover as we move towards completion of this year’s accounts.

5. Appendices

Appendix 1 – Governance Statement

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