



# Draft External Audit Report 2021/22

## Agenda Item 5

### National Park Authority Audit & Risk Committee

Tuesday 6<sup>th</sup> September 2022

Paper for information

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#### 1. Purpose

- 1.1. To present the draft External Audit Report for 2010/22, as produced by Grant Thornton, the Authority's External Auditors.

#### 2. Recommendation

- 2.1. Members are asked to note the contents of this draft report.

#### 3. Contribution to National Park Partnership Plan and/or Our 5-year Plan

- 3.1. The draft External Audit Report supports the statutory duty to prepare annual accounts. Compliance with our statutory duties supports the organisational processes and controls which underpin the outcomes and priorities in our 5-Year Plan.

#### 4. Annual Report

- 4.1. The draft External Audit Report is the Auditor's report to the Accountable Officer and the Auditor General for Scotland, which concludes Grant Thornton's audit for the financial year ended 31 March 2022. The report highlights that the audit is substantially complete, subject to final engagement leader review, outstanding testing procedures over income and expenditure, subsequent events and disclosure review procedures and the letter of representation,

- 4.2. Subject to finalisation of audit procedures, it is planned that an unmodified audit opinion will be issued.
- 4.3. The report provides details around the audit; the risks identified in the audit plan alongside commentary and conclusions; significant estimates and judgements; audit adjustments; action plan and recommendations; and details of audit fees and independence.
- 4.4. There were two adjusted misstatements (balance sheet re-classifications) and a number of minor disclosure adjustments from External Audit review. One recommendation around the establishment of a clear asset strategy has been raised, which will support the accounting treatment and valuation of land and buildings.
- 4.5. The Audit Director that led the audit fieldwork, John Boyd, left Grant Thornton in August 2022. Andy Mack, Public Sector Audit Director, has taken over responsibility for the audit. The report in **Appendix 1** will be presented by Andy Mack, who is providing final engagement leader review and will sign off on the annual accounts.
- 4.6. The timescales agreed to were achieved by the Authority, with all information being delivered as requested. Although the accounts had been scheduled to be signed in September 2022 following Board approval, Grant Thornton have recently informed us that they do not have the resources to complete the audit at this time. They have proposed completion of audit testing and procedures by the end of October. This means that the Accounts will not be laid in Parliament by the end of October as recommended. However, the statutory deadline of 31 December should be achieved.
- 4.7. Any significant changes in the Draft External Audit report will be circulated to members by correspondence following completion of the external audit procedures.

## 5. Appendices

- 5.1 Appendix 1 – Grant Thornton Draft External Audit Report for the Financial Year ended 31 March 2022.

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