



Draft Minutes of Meeting held at 2.00pm on Tuesday 5th September 2023, Robert Grieve Suite, Balloch

National Park Authority Audit and Risk Committee

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Present

Ronnie Erskine (RE) (Chair)
David Fettes (DF)
David Mackie (DM)
William Sinclair (WS)
Christopher Spray (CS)

In Attendance

Jillian Campbell (JC), Audit Glasgow
Stephen French (SF), Finance Manager
Jane Kemp (JK), Head of Governance and Performance
Tom Reid (TR), Mazars
Douglas Smith (DSm), Corporate Performance Manager
Deborah Spratt (DS) (Clerk)
Sam Stubbs (SS), Head of People and Assets
Gordon Watson (GW), CEO

Apologies

Maurice Corry (MC)

Items and Actions
<p>1. Welcome and Apologies</p> <p>The Chair welcomed everyone to the meeting of the Audit and Risk Committee. The Chair ran through a few procedural points and welcome was extended to any members of the public who may be listening. There were no members of the public attending in person. Apologies were received from Maurice Corry.</p> <p>Welcome was extended to Stephen French who has recently joined the Park to take on the role of Finance Manager.</p> <p>Members agreed under s50A (4) of the Local Government (Scotland) Act 1973 (as amended) to hold confidential items in closed session in accordance with the motion.</p>
<p>2. Declarations of Interest</p> <p>There were no Declarations of Interest from Committee Members.</p>
<p>3. Minutes of meeting held on 6th June 2023</p> <p>The Minutes of the meeting held on 6th June 2023 were proposed by DM and seconded by WS.</p>
<p>4. Matters Arising</p> <p>Members noted that all matters were now closed.</p>
<p>5. Draft Annual Report to Members</p> <p>TR presented Mazars draft Annual Report and advised that the audit is substantially complete, subject to assurances from the appointed auditor of Strathclyde Pension Fund and final engagement leader review and associated quality and compliance checks. The final review of the annual review and accounts will be completed on receipt of the signed version of the accounts and the letter of representation.</p>

Subject to finalisation of audit procedures, it is planned that an unmodified audit opinion will be issued.

Attention was drawn to the Global Banking reference in the letter of representation which TR confirmed would now be removed as this no longer causes any threat.

DECISION: Members expressed their thanks to Mazars and to JK and the Team for presenting a well-structured and substantially complete Audit. Members were happy to note the report.

6. External Auditor's request to those charged with Governance 2022/23

JK presented the Authority's draft response to the External Auditors in respect of the request to Management for details of processes and arrangements in respect of preventing fraud in the annual accounts, compliance with laws and regulations, litigation and claims, and going concern for year ended 31 March 2023.

In response to Mazars request for a more formal response from Audit and Risk Committee members, the following response was agreed to each of the points:

1. Has the Committee any suspicion that fraud may be occurring within the organisation? **NO**
2. Is the Committee aware of any actual or potential litigation or claims that would affect the financial statements? **NO**
3. Has the Committee identified any events or conditions since the assessment was undertaken which may cast significant doubt on the organisation's ability to continue as a going concern? **NO**

Members provided the following additional response to Mazars letter dated 18th May 2023:

'The Audit and Risk Committee exercises oversight of the Authority's management processes through the following:

- Requesting regular reports to ARC on a range of matters.
- Scrutinising and obtaining assurance from management's response to the External Audit letter as set out in Appendix 3 of item 6.
- Agreeing a plan of work with Internal Audit and liaising with them and management on a range of matters and reports as required.
- Receiving reports from External Audit and discussing relevant matters with them and management as required.
- Discussing any relevant issues in confidential sessions with External and Internal Audit at the end of ARC meetings.
- Chair and Vice-Chair discussions throughout the year with the Accountable Officer, management and finance staff as required.

DECISION: Thanks were extended to JK and the Team for working effortlessly to get to this stage. The points outlined above were noted as the Committee's response

7. Draft Accounts for the Financial Year ended 31st March 2023

JK presented the Annual accounts for the year ended 31st March 2023 which highlights the governance responsibilities of the Board, Audit & Risk Committee and Chief Executive and the process to finalise the accounts so that they are signed and laid before Parliament.

JK advised that although it is recommended that the Accounts are laid before Parliament by 31 October 2023, the statutory deadline is 31 December 2023. The aim, however, is to have them signed by end of September.

ACTIONS:

1. The reference to 'Cake' needs to show full title - 'Cake Architects'.
2. SS to check the figures in the table in the Complaints section on page 26 and advise Committee when updated.
3. JK to provide more detail around income / expenditure in the table on note 17 regarding Related Party Transactions.

DECISION: Members agreed to recommend to the National Park Authority Board on 11th September 2023 that the Accounts are signed by the Chief Executive in his capacity as Accountable Officer, subject to finalisation of the external audit testing and procedures and clearance by External Audit. Audit and Risk Committee members to be kept advised of any proposed changes to the Annual Accounts by correspondence.

SS left the meeting

8. Draft Letter of Representation to External Audit

JK presented the draft Letter of Representation from the Accountable Officer to the Authority's External Auditors, Mazars in connection with the financial statements for the year ended 31 March 2023.

ACTION: JK confirmed that as per item 5, the reference to Global Banking would be removed along with a typo at point 5.1.

DECISION:

1. Members approved the contents of the letter and confirmed that they were content for GW to sign the Letter of Representation to the External Auditors along with the Annual Report and Accounts when complete, subject to their being no significant changes which would require Audit and Risk Committee approval.
2. Any significant changes to the Letter of Representation will be communicated to Audit & Risk Committee by correspondence prior to the signing of the letter by the Accountable Officer.

9. Register of Interests Review

JK presented the Register of Interests Review which advises members of the outcome of a review of senior staff and Board member register of interests, completed as part of the Annual Accounts process and disclosures.

DECISION: Members were pleased to note that no concerns were highlighted through the review of the Register of Interests.

10. Draft Audit and Risk Committee Annual Report to Board

The draft Annual Report to Board was presented and the Chair expressed his thanks to past and present members for their time on the Committee.

DECISION: Members were happy to approve the draft Annual Report to the Board and it was agreed that in the Chair's absence from the Board meeting on 11th September, Deputy Chair, David Mackie will present the Committee's Annual Report.

11. Outstanding Actions Update

JC presented the Outstanding Actions Update which provides an update on the outstanding actions arising from Internal Audit work at the Park Authority.

JC advised that since the last report that was presented to the Audit and Risk Committee on 6th June 2023, management have been responsible for following up recommendations which are due to have been implemented. As at 24th August 2023, seven of these recommendations remain outstanding, with a further ten not yet due for implementation.

JC reassured members that there is nothing of concern and that they are continuing to monitor.

ACTION: Committee to be advised if implementation dates are not going to be met for high priority recommendations that fall due in between Committee meetings.

DECISION: Members noted the progress made in terms of the recommendations implemented and requested that the Chief Internal Auditor submits further reports on the implementation of outstanding recommendations.

12. Any Other Business

There was no other business to discuss.

13. Date of Next Meeting

The next meeting will be held on Tuesday 5th December 2023.

Signed

Ronnie Erskine, Chair

