

**Consumer Scotland
Audit and Risk Committee Meeting
11 June 2024**

Minute of Meeting

Present:

Nick Martin – Chair
James Walker – Member
Angela Morgan – Member
Lesley Halliday – Member

In attendance:

David Wilson – Chair, Consumer Scotland Board
Sam Ghibaldan – Chief Executive
Sue Bomphray – Director of Operations
Douglas White – Director of Policy and Advocacy
David Eiser – Director of Research and Analysis
Ian Forbes – Finance and Accountancy Adviser
Iain Burns – Senior Internal Audit Manager, Scottish Government
Glen Bissett – Internal Audit Manager, Scottish Government
Liam McHugh – Assistant Manager, Deloitte LLP
Rashid Zaman – Audit Manager, Deloitte LLP
Rebecca McConnachie – Manager, Deloitte LLP
Sally Sandground – Finance, Governance and Corporate Services Manager
Ifthakhar Eresh – Finance, Governance and Corporate Services Officer (minutes)

Apologies:

Agenda Item 1 – Welcome and Declarations of Interest.

1. The Chair welcomed everyone to the meeting and introductions were made. The Chair welcomed Liam McHugh, Assistant Manager Deloitte LLP, Rashid Zaman, Audit Manager Deloitte LLP and Rebecca McConnachie – Assistant Manager, Deloitte LLP, to the meeting.
2. There were no declarations of interest noted.

Agenda Item 2.1 – Minutes of Previous Meeting

3. The minutes of the previous meeting on 12th March 2024 were approved by the Committee.

Agenda Item 2.2 – Action Tracker

4. The Action Tracker had no actions outstanding.

Agenda Item 3 – Risk

5. The Director of Operations gave an update on the Strategic Risk Register and the Committee discussed the points raised in the report and each risk on the register, this included changes that have been made to reflect ongoing dialogue around controls, actions and scoring.

Action: it was agreed that risk wording would be reviewed to ensure it matched with controls and actions in place.

Action: following discussion around staff absence, it was agreed that a short paper would be commissioned for the next Board meeting.

6. The Committee agreed to move risks 23-003 (Governance) and 23-005 (People) to the Operational Risk Register and to move the review of the Strategic Risk Register to biannually.

Agenda Item 4 – Management Accounts 2023-24

7. The Director of Operations gave an update on the management accounts. The distributed report aimed to enable consistency between the management and statutory accounts taking into account current and prior year accruals and pre-payments. The Operations team will continue to evolve the management accounts reporting.
8. The Committee noted the financial information including the forecast outturn for 31st March 2024.

Agenda Item 5 – Draft Annual Report & Accounts 2023-24

9. The Director of Operations and Finance and Accountancy Adviser presented the Draft Annual Report & Accounts 2023-24 to the committee, which had been separated into two parts for ease of review.
10. The committee noted the hard work of the team to get us to this point. It was agreed that the report was comprehensive with the right tone and provided assurance on compliance with reporting requirements.

11. The committee discussed the proposed audience and the opportunity to strengthen the impact and proposed a few recommendations including checking consistency of language and a suggestion to slim down/reformat the Performance Report.
12. The Finance and Accountancy Adviser explained the Financial Statements, showing where funding comes from and how it is spent. Points to note were:
13. In the year ended 31st March 2024, there were no material assumptions or other sources of estimation uncertainty that could lead to a significant risk of a material adjustment to the carrying amounts of assets and liabilities in the forthcoming year.
14. The financial statements show £3.7 million in expenditure broken down by staff and non-staff costs, as well as some accruals at year-end.
15. Consumer Scotland receives support for its activities via grant in aid funding from the Scottish Government and sector derived grants from other sponsoring public bodies.
16. In accordance with the Scottish Public Finance Manual, procedures are in place to ensure compliance with any conditions or provisions attached to any grant payments.
17. There were no material provisions included in the financial statements as at 31 March 2024. A provision, of immaterial value, was disclosed for information in the year ended 31 March 2024.

Action: the Operations team will continue to refine the document, incorporating the points raised by members, ahead of submission to Deloitte with supporting evidence in early August.

18. Deloitte will review submitted documents and provide feedback on compliance and audit work, with a draft version of their report due in mid-September.

Agenda Item 6 – Internal Audit – Audit Progress report & Annual Assurance Opinion 2024-25

19. The Internal Audit Manager presented the 2023-24 Governance and Risk Management Arrangements assurance report.

Action: the committee noted the recommendations and the actions will be updated on aggregated Audit Action tracker.

20. The Internal Audit Manager presented the Internal Audit Annual opinion which was Reasonable Assurance. It was agreed that this was a good reflection of all the work undertaken in the year.

21. The Internal Audit Manager provided an update on the Internal Audit Progress Report and the Committee acknowledged all the work being carried out and was assured there were no significant issues to report.

22. As this was the Senior Internal Audit Manager's last meeting, the Chair formally thanked him for his contribution over the past two years.

Agenda Item 7 – External Audit

23. Prior to the meeting the Assistant Manager from Deloitte LLP had requested that consideration be given to moving the ARC meeting from September 24th due to staff availability due to parental and annual leave. The Committee advised they would prefer to keep the original dates.

Action: the Director of Operations will liaise with the External Auditors and agree a way forward.

Agenda Item 8 - AOB

24. No other business was raised.

25. The Chair thanked everyone for their participation and expressed his thanks for all the progress that had been made, then closed the meeting.

26. The date of the next meeting is Tuesday 24th September 2024 at 10:00 hrs online via Teams.