

**CAIRNGORMS NATIONAL PARK AUTHORITY
AUDIT COMMITTEE**

Title: AUDIT PLANNING MEMORANDUM 2003/04

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Purpose

For information – to give the Audit Committee sight of the memorandum from our external auditor, setting out the objectives and approach which Audit Scotland will adopt in conducting their external audit for 2003/04. The final page summarises the 3 main areas of audit activity, and when there are due to report.

Recommendations

That the committee note the memorandum, and in particular:

- There are a number of minor errors which will be notified to the Auditor in writing, along with any other points noted by the Committee.
- The audit fee will be £8,900 (para 2.1) which is within the CNPA budget.
- Given the auditor's reporting dates set out in the last page, it is suggested that Audit Committee meeting dates for 2004 are set as follows in order to consider the reports:
 - 7 May 04 (next available Board meeting date after 31 March
 - 13 August 04 (next available Board meeting day after 30 June, avoiding July holiday period,)
 - January 05 (to consider reports from 30 Nov and 31 Dec).

Executive Summary

The Audit Planning Memorandum is issued by Audit Scotland, and sets out the background to the external audit, the audit objectives and approach, method of reporting, and the auditor's fee.

AUDIT PLANNING MEMORANDUM FOR 2003/04 AUDIT

Background

1. CNPA's external auditor, as specified in the National Parks (Scotland) Act, is Audit Scotland. Bob Clark, of Audit Scotland has been appointed to lead the external audit programme, and he has now forwarded the memorandum (The Audit Planning Memorandum) which sets out the arrangements for the 2003/04 audit.

2003/04 Audit

2. The final page of the memorandum sets out the audit activities for 2003/04 as follows:

Audit Activity	Period of Fieldwork	Planned Output	Output Target Date
Main accounting system	Feb-Mar 2004	Report	31 March 04
Corporate governance arrangements	Apr-May 2004	Report	30 June 2004
Final Accounts	Oct-Nov 2004	Auditor's report	30 Nov 2004
		Report on the Audit	31 Dec 2004

3. It is therefore proposed that the Audit Committee arranges meetings as follows to consider these reports:
 - 7 May 04 (next available Board meeting date after 31 March)
 - 13 August 04 (next available Board meeting day after 30 June, avoiding July holiday period.)
 - January 05 (to consider reports from 30 Nov and 31 Dec).
4. Subject to agreement on Paper 3, there is likely to be a need for an Audit Committee meeting in early April to assess bids for the internal auditor contract.
5. Taking all meetings held to date, and those proposed, the Audit Committee will have met 5 times in the 12 month period from its first meeting in December 03; it is scheduled (on the above proposals) to meet 4 times in 2003/04.
6. Depending on the timing of auditor reports, it would be helpful to aim for a regular cycle of quarterly meetings, say in January, April, August (rather than July) and October in the future.

7. There are some minor errors in the Audit Planning Memorandum – notably the reference at paragraph 1.9 to the aims (which are aims of the National Park, not the Park Authority), and the associated failure to refer to the purpose of the Park Authority to ensure a collective and coordinated approach to the aims. In addition, Paragraph 1.10 is incorrect in naming heads of group. These, and any other errors noted by the Committee, will be advised to Audit Scotland.

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