



For decision

Title: 2023/24 Final Accounts

Prepared by: Louise Allen. Head of Finance and Corporate Operations

Purpose

To present and seek approval to the annual report and accounts for 2023/24 prior to their being submitted to Audit Scotland for final certification.

Recommendations

The Audit and Risk Committee is asked to:

- a) Approve the annual report and accounts prior to submission to Mazars and Audit Scotland for final certification.

Overview

1. Mazars, the Authority's external auditors, are expected to give an unqualified audit opinion on the 2023/24 financial statements.
2. The Audit & Risk Committee's role and responsibilities as regards the process of preparing the annual report and accounts are set out in the Scottish Public Finance Manual. The Audit & Risk Committee is put in place to provide assurance on risk management, governance and internal control and to act as a source of independent advice on these matters to the Accountable Officer and Board. The Committee's role as regards the accounts is to support the Accountable Officer with regard to their personal responsibilities for issues of risk, control and governance through a process of constructive challenge.
3. The Committee has previously considered its exercise of this role for the 2023/24 financial year in consideration and approval of the Governance Statement now included in the final accounts document.

Review of the annual report and accounts

4. Preparation of financial statements requires management to make significant judgements and estimates. I draw the Committee's attention to pages 111 and 113



of the annual report and accounts, where there is information on provisions carried in the prior year's accounts for costs that might have been irrecoverable from funding provided from the LEADER rural development programme. Given the length of time since closure of the LEADER programme, and the successful audit of the scheme, the Directors consider that this provision is no longer required and the accounts for 2023/24 have been adjusted accordingly.

5. During the year, Financial guarantees have been made to landowners in respect of potential damage to flood banks that might be caused by beaver burrowing. It is the opinion of the Directors that the likelihood of financial claim from this arrangement is very low, and consequently this risk has been disclosed as a contingent liability in the notes to the accounts (page 113).
6. The Park Authority's performance for the year is shown in the Statement of Comprehensive Net Expenditure on page 92 of the annual report and accounts. The Authority's financial position on 31 March 2024 is described in the Statement of Financial Position (page 93). Cash movements during the year are reflected in the Statement of Cash Flows (page 94). The Authority applied funds provided through grant-in-aid to the purposes intended and to meet the aims of the operational plan. Project funding was similarly disposed in accordance with the plans approved by funders. Overall, funding through grant-in-aid was £1.158m higher than in the previous year. The Authority slightly overspent its target to break even by £0.004m 0.03% of grant-in-aid received, an outturn that is well within our Key Performance Indicator for annual expenditure (overspend of no more than 1%; underspend of no more than 2%).
7. Of the full budget allocation towards peatland restoration of £3.636m, £0.9m was not drawn down from Scottish Government. The target for ha of restoration was met, despite the unused budget.
8. Highlights of the Authority's operational activity during the year, including performance against the objectives of the Park Partnership Plan, are provided in section 1.7 of the annual report (pages 25 to 47).

Conclusion

9. The Audit & Risk Committee is requested, following further discussion of the annual report and accounts now presented, and in the context of any input from the



auditors, to approve the accounts for signature by the Chief Executive, who is also the Accountable Officer.

Louise Allen

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