

Meeting	Audit, Risk and Assurance Committee
Date	18 March 2022
Location	By Video Conference
Title of Paper	Project plan for preparation of the annual report and accounts
Presented By	John McNellis, SPA Head of finance, audit and risk Alasdair Corfield, PS Financial controller
Recommendation to Members	For Discussion
Appendix Attached	Appendix A: Annual report & accounts milestones and timeline.

PURPOSE

The purpose of the report is to:

- Provide an overview of the plans in place to deliver the draft Annual Report & Accounts (2021/22); and
- Set out the key milestones and reporting mechanisms in place to ensure key deadlines are achieved.

Members are requested to discuss the contents of this paper.

1. BACKGROUND

- 1.1 The Scottish Police Authority (SPA) has a statutory duty to produce the annual report and accounts (ARA) following the completion of each financial year. The ARA must be produced in line with the requirements set out in the Financial Reporting Manual (FReM), as issued by HM Treasury.
- 1.2 In line with Audit Scotland's Annual Audit Plan 2021/22 there is a requirement to provide a draft ARA to Audit Scotland by 20 June 2022. Their Annual Audit Plan is also presented to this meeting of the ARAC.

2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 The preparation of the draft version of the ARA is driven by a detailed process of task management, with follow up on any areas of delay or concern that emerge throughout the process.
- 2.2 Tasks are identified with key responsibilities across both the SPA and Police Scotland with completion milestones as part of an overall timetable. Project methodology is utilised to assess task duration and dependencies.
- 2.3 The overall responsibility for the completion of the ARA rests with the Accountable Officer. Operational responsibility for completion of ARA sections is split between SPA corporate staff and the Police Scotland (PS) finance team.
- 2.4 Since embedding the SPA 2020 structure, SPA corporate staff are now taking more direct ownership for the preparation of the performance and accountability report of the ARA with PS finance mainly focused on the financial statements. This builds on the successful ARA process undertaken in the previous year and all staff will work closely to ensure a high quality document is prepared to the agreed timetable.
- 2.5 There is an established and detailed project management approach in place to monitor and report progress against timetable. This includes the following control meetings:

Meeting	Frequency	Purpose
PS finance ARA team	Up to daily	Discuss progress, identify concerns / risk and mitigating actions.
SPA corporate ARA team	Bi-weekly	
Audit Scotland liaison	Bi-weekly to weekly	Discuss progress and highlight technical areas for discussion or key audit queries.
Accountable Officer	At planned key milestones	Discussion on progress of all parts of ARA with any particular concerns raised by exception

- 2.9 A high level summary of the ARA timetable and key milestones is included at **Appendix A**. The detailed supporting timetable is internally monitored.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications with this ARA planning paper. The ARA is the final and independently audited financial position of the Authority for the financial year.

4. PERSONNEL IMPLICATIONS

- 4.1 There are no specific personnel implications associated with this paper, however, the performance report of the ARA and remuneration report will provide various details related to staffing, pay and employee relations.

5. LEGAL IMPLICATIONS

- 5.1 The Police and Fire Reform (Scotland) Act sets out a legal requirement for the preparation of the accounts and independent examination by the Auditor General.

6. REPUTATIONAL IMPLICATIONS

- 6.1 It is important that the quality of the document produced, and supporting working papers, is high and meets the expected requirements of Audit Scotland. Audit Scotland will publically report

on their audit findings which may attract media attention. Furthermore, the achievement of an unqualified audit opinion on the financial statements is key to confirming public trust in the Authority's financial reporting.

7. SOCIAL IMPLICATIONS

7.1 There are no specific social implications associated with this paper, however, the performance report of the ARA will provide a summary of activities and performance related to social outcomes.

8. COMMUNITY IMPACT

8.1 There are no community impact implications associated with this paper, however, the performance report of the ARA will provide a summary of activities and performance related to community impact.

9. EQUALITIES IMPLICATIONS

9.1 There are no specific equalities implications associated with this paper, however, the performance report of the ARA will provide various details related to staffing, equality and diversity.

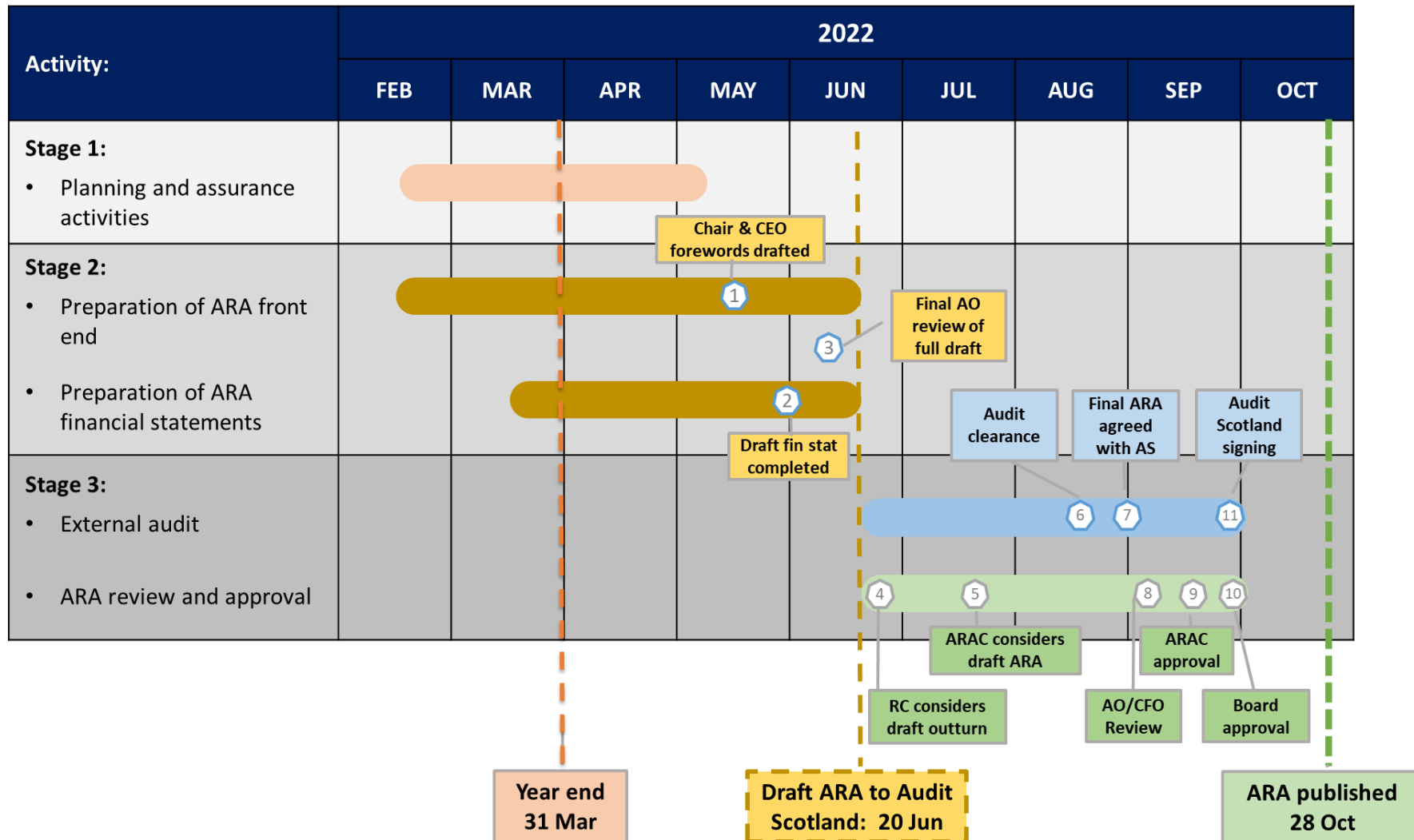
10. ENVIRONMENT IMPLICATIONS

10.1 There are no specific environmental implications associated with this paper, however, the performance report of the ARA will provide various details related to environmental matters including sustainability performance.

RECOMMENDATIONS

Members are invited to discuss and note the contents of this paper.

Appendix A: Summary ARA timeline



SPA Audit, Risk and Assurance Committee
 Preparation of the annual report and accounts
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