



# **Bòrd na Gàidhlig**

**Annual audit report 2014/15**

**Prepared for Members of Bòrd na  
Gàidhlig and the Auditor General for  
Scotland**

**June 2015**

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This report has been prepared for the use of Bòrd na Gàidhlig and no responsibility to any member or officer in their individual capacity or any third party is accepted.

This report will be published on our website after it has been considered by the audit committee and the financial statements have been laid before parliament. The information in this report may be used by Audit Scotland in any reporting to the Scottish Parliament.

## Key contacts

Asif Haseeb, Engagement Lead

[ahaseeb@audit-scotland.gov.uk](mailto:ahaseeb@audit-scotland.gov.uk)

Richard Smith, Senior Auditor

[rismith@auditscotland.gov.uk](mailto:rismith@auditscotland.gov.uk)

David Docherty, Professional Trainee

[ddocherty@audit-scotland.gov.uk](mailto:ddocherty@audit-scotland.gov.uk)

Audit Scotland  
4<sup>th</sup> floor (South Suite)  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

Telephone: 0131 625 1500

Website: [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

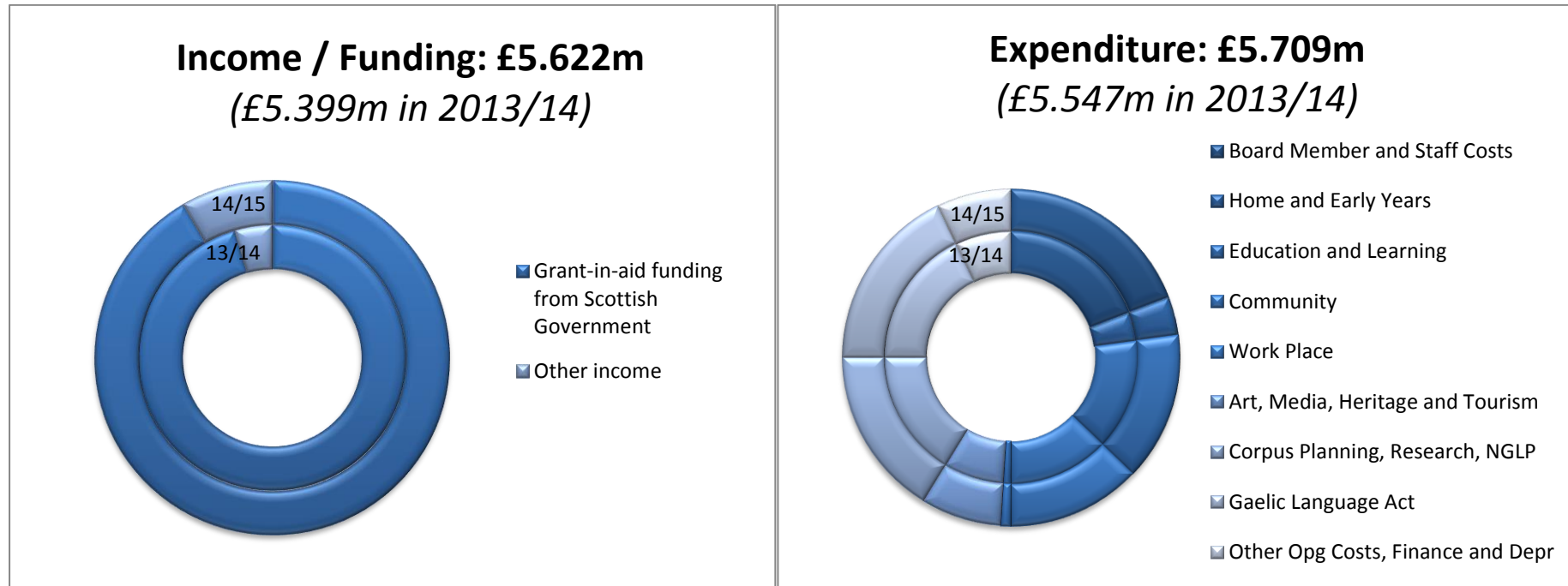
# Key messages

<p><b>Audit of financial statements</b></p>	<ul style="list-style-type: none"> <li>• Unqualified independent auditor's report (audit certificate) on the 2014/15 financial statements.</li> <li>• Working papers were of a high standard and officers provided excellent support which enabled the audit team to complete on-site fieldwork by the planned target date.</li> <li>• Only minor presentational and disclosure adjustments required to the financial statements presented for audit.</li> </ul>
<p><b>Financial management and sustainability</b></p>	<ul style="list-style-type: none"> <li>• The annual outturn on a cash basis exceeded the grant-in-aid allocation for the year by £0.011 million. This additional expenditure was funded from the Bòrd's existing cash reserves.</li> <li>• £0.209 million has been released from the development budget to the operational budget from 2015/16 onwards to help alleviate the current pressures on running costs.</li> </ul>
<p><b>Governance and transparency</b></p>	<ul style="list-style-type: none"> <li>• Overall we found that Bòrd na Gàidhlig had sound governance arrangements.</li> <li>• Systems of internal control operated effectively during 2014/15.</li> </ul>
<p><b>Best value</b></p>	<ul style="list-style-type: none"> <li>• The Bòrd have considered Scottish Government guidance on Best Value and have been proactive in their approach.</li> <li>• The Bòrd continue to review the organisations to which it awards funding.</li> </ul>
<p><b>Outlook</b></p>	<ul style="list-style-type: none"> <li>• The Bòrd and Senior Management Team should work together to ensure that the organisation can continue to operate effectively to deliver the objectives of the current National Gaelic Language Plan.</li> <li>• The Bòrd face a significant challenge to constrain operating costs within the running costs budget in the medium to long term.</li> <li>• During 2014/15 the Bòrd reported a high sickness absence rate of 10.6%. This will need to be actively managed going forward.</li> </ul>

# Introduction

1. This report is a summary of our findings arising from the 2014/15 audit of Bòrd na Gàidhlig.
2. The Bòrd and the Ceannard, as the Accountable Officer, are responsible for:
  - preparing financial statements which give a true and fair view, in accordance with the relevant financial reporting framework
  - ensuring the regularity of transactions, by putting in place systems of internal control
  - maintaining proper accounting records
  - preparing and publishing with their financial statements an annual report which includes a strategic report, directors' report, remuneration report and a governance statement.
3. Our responsibility, as the external auditor of Bòrd na Gàidhlig, is to undertake our audit in accordance with International Standards on Auditing, the principles contained in the Code of Audit Practice issued by Audit Scotland in May 2011 and the ethical standards issued by the Auditing Practices Board.
4. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. It is the auditor's responsibility to form and express an opinion on the financial statements; that have been prepared by management with the oversight of those charged with governance. This does not relieve management of their responsibility for the preparation of financial statements.
5. A number of reports, both local and national, have been issued by Audit Scotland during the course of the year. These reports are summarised at appendices 2 and 3.
6. Appendix 4 is an action plan setting out our recommendations to address the high level risks we have identified from the audit. Officers have considered the issues and agreed to take the specific steps in the column headed "Management action / response". We recognise that not all risks can be eliminated or even minimised. What is important is that Bòrd na Gàidhlig understands risks and has arrangements in place to manage these risks. The audit committee should ensure that they are satisfied with proposed action and have a mechanism in place to assess progress and monitor outcomes.
7. We have included in this report only those matters that have come to our attention as a result of our normal audit procedures; consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.
8. The cooperation and assistance afforded to the audit team during the course of the audit is gratefully acknowledged.

# 2014/15 financial statements



The financial statements show that total income and funding for 2014/15 was £5.622 million which is a £0.223 million (4%) increase from 2013/14. Scottish Government grant-in-aid funding was £5.154 million for both years and accounted for over 90% of total income and funding. Other income has increased from £0.245 million to £0.467 million between 2013/14 and 2014/15. This is attributable to an additional £0.325 million of Scottish Government funding for the Gaelic Teacher Immersion Course, Gaelic Medium Education Marketing and Family Learning Packs programmes, partially offset by other funding agreements that ceased after 2013/14. Expenditure increased by £0.162m (3%) from £5.547 million in 2013/14 to £5.709 million in 2014/15 with Bòrd Members and Staff Costs (£1.095 million), Education and Learning (£0.815 million), Community (£0.738m), National Gaelic Language Plan Strategic Priorities and Gaelic Language Act Implementation Fund (1.017 million) again representing the largest areas of expenditure.

# Audit of the 2014/15 financial statements

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## Audit opinions

### Financial Statements

- The financial statements of Bòrd na Gàidhlig for 2014/15 give a true and fair view of the state of the body's affairs and of its net expenditure for the year.
- We confirm that the financial statements have been properly prepared in accordance with the 2014/15 FReM and the requirements of the Gaelic Language (Scotland) Act 2005 and directions.

### Regularity

- In all material respects, the expenditure and income in the financial statements were incurred or applied in accordance with applicable enactments and guidance.

### Other prescribed matters

- The remuneration report to be audited has been properly prepared in accordance with the requirements of the Gaelic Language (Scotland) Act 2005 and directions.
- The information in the strategic report and directors' report is consistent with the financial statements.

## Submission of financial statements for audit

9. We received the unaudited financial statements on 24 April May 2015, in accordance with the agreed timetable. The working papers were of a high standard and officers provided excellent support which enabled the audit team to complete on-site fieldwork by the planned target date of 1 May 2015.

## Overview of the scope of the audit of the financial statements

10. Information on the integrity and objectivity of the appointed auditor and audit staff, and the nature and scope of the audit, were outlined in our Annual Audit Plan presented to the Audit Committee on 4 March 2015.
11. As part of the requirement to provide full and fair disclosure of matters relating to our independence, we can confirm that we have not undertaken any non-audit related services. The 2014/15 agreed fee for the audit was £12,100 and, as we did not carry out any work additional to our planned audit activity, this fee remains unchanged.
12. The concept of audit risk is of central importance to our audit approach. During the planning stage of our audit we identified a number of key audit risks which had the greatest effect on the audit strategy, resources and effort. We set out in our Annual Audit Plan the audit work we proposed to undertake to secure appropriate levels of assurance.

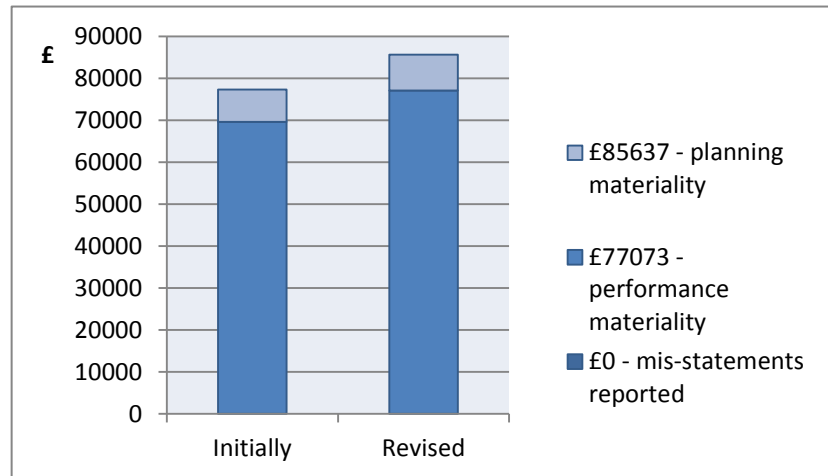
13. Appendix 1 sets out the significant audit risks identified at the planning stage and how we addressed each risk in arriving at our opinion on the financial statements.
14. Our audit involved obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

## Materiality

15. Materiality can be defined as the maximum amount by which auditors believe the financial statements could be misstated and still not be expected to affect the decisions of users of financial statements. In addition, a misstatement or omission, which would not normally be regarded as material in terms of monetary value, may be important for other reasons (for example the failure to achieve a statutory requirement, or an item contrary to law).
16. We consider materiality and its relationship to audit risk when planning the nature, timing and extent of our audit and conducting our audit procedures. Specifically with regard to the financial statements, we assess the materiality of uncorrected misstatements, both individually and collectively.
17. We summarised our approach to materiality in our plan. Based on the financial statements, we revised materiality for 2014/15 to £85,637 based on actual expenditure for the year.

## Audit of the 2014/15 financial statements

18. We also set a lower level, known as performance materiality, when defining our audit procedures. This level depends on professional judgement and is informed by a number of factors including:
- extent of estimation and judgement within the financial statements
  - nature and extent of prior year misstatements
  - extent of audit testing coverage.
19. Performance materiality has been set at £77,073 (i.e. 90% of materiality). We report all misstatements greater than £1,000.



## Evaluation of misstatements

20. No misstatements were identified during the audit which exceeded our misstatement threshold. Therefore no

amendments have been made to the financial statements which impact upon either the net expenditure for the year or the net assets position at 31 March 2015.

## Clearance process

21. The issues arising from the financial statements audit were discussed with the former Ceannard (as Accountable Officer to 31 March 2015), the new Ceannard (as Accountable Officer from 1 April 2015) and finance staff at a meeting on 30 April 2015.

## Significant findings from the audit

22. International Standard on Auditing 260 requires us to communicate to you significant findings from the audit as detailed below.
- The auditor's views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and disclosures.
  - Significant difficulties encountered during the audit.
  - Significant matters arising from the audit that were discussed, or subject to correspondence with management.
  - Written representations requested by the auditor.
  - Other matters which in the auditor's professional judgment, are significant to the financial reporting process.



23. A number of minor presentational and disclosure adjustments were identified within during the course of our audit. These were discussed with management who agreed to amend the financial statements.

## Significant findings from the audit in accordance with ISA260

24. The following table details those issues or audit judgements that, in our view, require to be communicated to you in accordance with ISA 260.

### For consideration by those charged with governance

**Achievement of financial target** – The main financial objective for Bòrd na Gàidhlig is to ensure that the financial outturn for the year on a cash basis is within the resource budget allocated by Scottish Ministers, taking one year with another. During 2014/15 the outturn on a cash basis was £5.165 million. This exceeded their grant-in-aid allocation for the year of £5.154 million by £0.011 million. However, as this additional expenditure was funded from existing cash reserves the financial target for the year has not been breached.

**Contingent liability** – A number of staff have lodged grievances with the Bòrd in relation to employment matters. During the audit we discussed with the Ceannard (Accountable Officer) the basis for the grievances and the proposed timescale for resolving these, to establish the correct accounting treatment for the 2014/15 financial statements. *IAS 37 – Provisions, Contingent Liabilities and Contingent Assets* outlines the criteria for recognising a provision (a present obligation based on a past event) or a contingent liability (a possible obligation depending on whether some uncertain event occurs). At present we do not feel there is sufficient certainty that an obligation exists to require a provision to be recognised under IAS 37. However, given the obligation that would exist if the claims are successful we agree that the disclosure of a contingent liability at note 18 in the financial statements is the appropriate accounting treatment.

## Future accounting and auditing developments

### *Revisions to the Financial Reporting Manual (FReM)*

25. The financial statements are prepared in accordance with the Government financial reporting manual (FReM). Two significant revisions will apply from 2015/16:
- Simplification and Streamlining Project – changes to the form and content of the annual report and accounts.
  - Adoption of IFRS13 *Fair value measurement* for the first time – this also includes IAS 16 and IAS 38 adaptations.
26. **Restructuring of the annual report:** The 2015/16 FReM has been extensively re-written to require the annual report and accounts to include:
- a performance report which will give a fair, balanced and understandable analysis of performance and will include an overview section and a performance analysis section.
  - An accountability report incorporating the following three main sections:
    - corporate governance report consisting of a directors' report, a statement of the Accountable Officer's responsibilities and a governance statement
    - remuneration and staff report which will cover a number of prescribed disclosures including remuneration policy,

- payments to directors, staff numbers and sickness absence rates
- parliamentary and accountability report which will include information on the regularity of expenditure and the independent auditor's report.

27. **International Financial Reporting Standards (IFRS) 13 Fair value measurement:** This sets out the requirements for assets to be valued at fair value and is applied in full by the FReM only to assets that are not held for their service potential (i.e. investment properties and assets held for sale). It also applies to operational assets which are surplus to requirements where there are no restrictions on disposal which would prevent access to the market.
28. IFRS 13 does not apply to operational assets which are in use delivering front line services or back office functions, and surplus assets with restrictions on their disposal. These will be valued in accordance with the adaptations to *IAS (International Accounting Standard) 16 property, plant and equipment*.
29. As the Bòrd do not hold any assets of this nature this will not impact upon their 2015/16 financial statements.

## Financial management and sustainability

30. The arrangements for budget setting and monitoring in place are sound, with management exercising a close control over expenditure and reporting financial results quarterly to the Bòrd.

### 2014/15 financial position

31. The main financial objective for Bòrd na Gàidhlig is to ensure that the financial outturn for the year on a cash basis is within the resource budget allocated by Scottish Ministers, taking one year with another. During 2014/15 the Bòrd's outturn on a cash basis was £5.165 million. This exceeded their grant-in-aid allocation for the year of £5.154 million by £0.011 million. However, as the Bòrd funded this additional expenditure from existing cash reserves they have not breached their financial target for the year.
32. On an income and expenditure basis, the financial statements show a deficit of £0.087 million. This is the difference between the net operating cost for the year as shown in the Statement of Comprehensive Net Expenditure of £5.241 million and the annual funding received from the Scottish Government of £5.154 million.
33. The closing balance on the general fund was £0.122 million, which when netted off against the pension liability, leaves a net

liability position of £0.856 million on the Statement of Financial Position. As in previous years this is attributable to the liability on the pension reserve which has increased from £0.567 million at 31 March 2014 to £0.978 million at 31 March 2015. Although a net liabilities position has been reported, the accounts are prepared on a going concern basis which is in accordance with the Government Financial Reporting Manual.

### Financial management

34. As auditors we need to consider whether bodies have established adequate financial management arrangements. We do this by considering a number of factors, including whether:
- the officer responsible for finance has sufficient status to be able to deliver good financial management
  - standing financial instructions and standing orders are comprehensive, current and promoted within the body
  - reports monitoring performance against budgets are accurate and provided regularly to budget holders
  - monitoring reports do not just contain financial data but are linked to information about performance
  - members provide a good level of challenge and question budget holders on significant variances.

## Financial management and sustainability

35. Based on our accumulated knowledge, our review of Bòrd papers and through our attendance at committees we conclude that Bòrd na Gàidhlig has sufficient financial management arrangements in place.

### 2015/16 and beyond

36. Bòrd na Gàidhlig's Scottish Government grant-in-aid allocation for 2015/16 of £5.154 million is consistent with the funding allocated in 2014/15. However, following discussions with the Scottish Government, £0.209 million has been released from the development budget to the operational budget (as shown in the table below) to help alleviate the current pressures on the running costs budget.

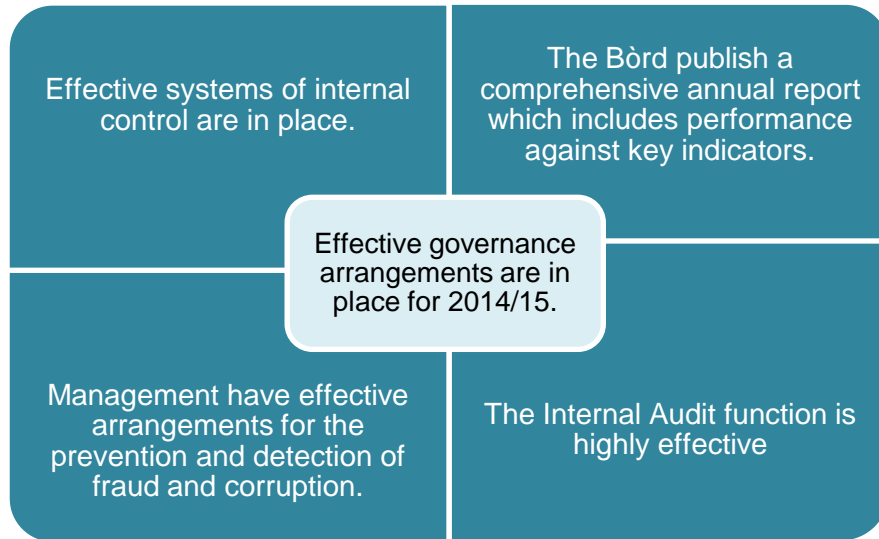
Scottish Government – Grant-In-Aid Allocation	2014/15 (£m)	2015/16 (£m)
Core Grant-In-Aid (Running Costs)	1.400	1.609 *
Funds for Gaelic Development	2.614	2.405
Gaelic Language Act Implementation Fund	1.140	1.140
<b>Total</b>	<b>5.154</b>	<b>5.154</b>

(\* Includes £50,000 which will be transferred to Bòrd's budget at spring budget revision)

37. The Bòrd operate a rolling three year budget, using the assumption that grant-in-aid funding will remain constant and adjusting for inflationary pressures. Based on current projections the extra £0.209 million released to the running costs budget will be sufficient for 2015/16. Beyond this additional resource would be needed to stay within the operational budget. The Bòrd should review operational arrangements and discuss with the Scottish Government the need for any further transfer between budgets for future years.

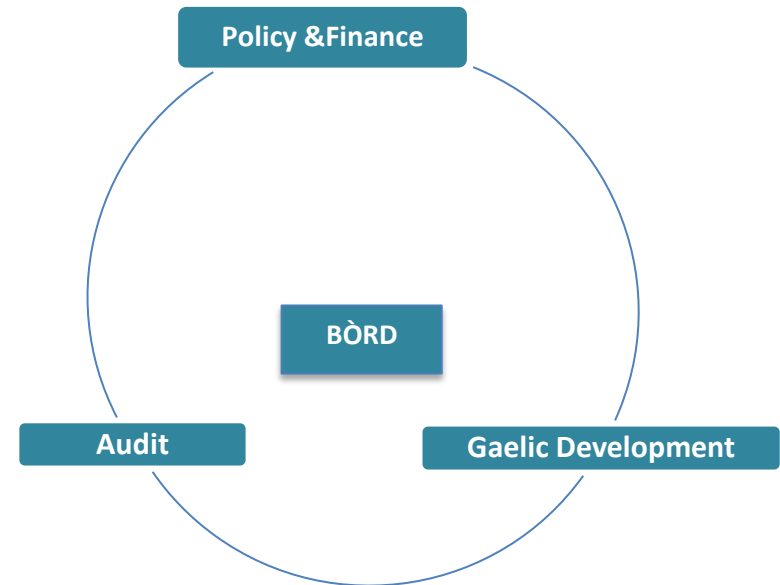
### **Appendix 4 – Action Plan No. 1**

# Governance and transparency



## Corporate governance

- 38. The Bòrd and Ceannard (as Accountable Officer) are responsible for establishing arrangements for ensuring the proper conduct of the affairs of Bòrd na Gàidhlig and for monitoring the adequacy of these arrangements.
- 39. The members of the Bòrd are appointed by the Scottish Ministers. The Bòrd is supported in its role by a number of standing committees as illustrated in the following diagram.



- 40. The committees meet on a regular basis throughout the year to consider relevant matters. We concluded that Bòrd na Gàidhlig has effective overarching and supporting governance arrangements which provide an appropriate framework for organisational decision making.
- 41. In December 2014 the Cathraiche stepped down and one of the existing Bòrd members, Allan MacDonald was appointed as his replacement on an interim basis. This appointment was made permanent on June 2 2015.
- 42. At the start of March 2015 the former Cathraiche was

## Governance and transparency

appointed as the Ceannard. Due to these changes the Bòrd are currently operating with eight members but it is anticipated that two additional members will be appointed during 2015/16.

43. During this transitional period it is important, despite the ongoing staff grievance process, that the Bòrd, Ceannard and other members of the Senior Management Team work together to ensure that the organisation can continue to operate effectively to deliver the objectives of the current National Gaelic Language Plan.

### ***Appendix 4 – Action Plan No. 2***

## Transparency

44. The financial statements include a table showing outturn against each element of the Bòrd's grant-in-aid allocation for the year. The Strategic Report also includes an overview of the Bòrd's financial performance for the year.
45. Along with the annual accounts the Bòrd also publish a comprehensive annual report which includes performance against their key indicators. We consider this provides a fair and balanced view of activities for the year.

## Accounting and internal control systems

46. While auditors concentrate on significant systems and key controls in support of the opinion on the financial statements, their wider responsibilities require them to consider the

financial systems and controls of audited bodies as a whole. However, the extent of this work should also be informed by their assessment of risk and the activities of internal audit.

47. As part of our 2014/15 audit we reviewed the high level controls over the payroll system. We also placed reliance on internal audit's reviews of grant payments and other creditor payments as detailed within the internal audit section below. Our objective was to obtain sufficient audit evidence to place assurance on these systems for the financial statements audit.
48. No material weaknesses in the accounting and internal control systems were identified during the audit which could adversely affect the ability to record, process, summarise and report financial and other relevant data so as to result in a material misstatement in the financial statements.
49. We reported our findings to management on 4 March 2015 and tabled the report at the Audit Committee later that day.

## Internal audit

50. Internal audit provides the Audit Committee and Accountable Officer with independent assurance on the overall risk management, internal control and corporate governance processes. We are required by international auditing standards to make an assessment of internal audit to determine the extent to which we can place reliance on their work. To avoid duplication, we place reliance on internal

## Governance and transparency

audit's work wherever possible.

51. Our review of internal audit concluded that they operate in accordance with the Public Sector Internal Audit Standards (PSIAS) and has sound documentation standards and reporting procedures in place. Therefore, we were able to place reliance on their reviews of grant payments and other creditor payments during 2014/15.

## Human Resources (HR)

52. As part of the Bòrd's agreement to procure HR support from Peninsula Business Services they offered to carry out a health check of existing HR arrangements. As the Bòrd had never had any formal support for this part of their operations they accepted this offer and the review was undertaken in December 2014.
53. The report produced following their review was taken to the March Audit Committee for noting and identified a number of recommendations to improve the existing HR arrangements. These mainly related to the documentation retained on employee personnel files rather than issues with the HR policies and procedures in place. The Communications and Corporate Affairs Manager, who is responsible for HR, confirmed that action is being taken to address all the recommendations made in the report.

## Capacity to deliver

54. During 2014/15 the Bòrd reported a high sickness absence rate of 10.6% which equates to 24 days per member of staff. There also appears to be an increasing trend in this respect as sick leave has increased year-on-year as shown in the table below.

Financial Year	Sickness Absence Rate (%)
2011/12	2.1
2012/13	5.1
2013/14	6.1
2014/15	10.6

55. While this increase is partly attributable to staff who are absent on long term sick leave, the Bòrd should ensure that adequate arrangements are in place to manage sickness absence and to address any work pressures, or other factors, that may be contributing to the increase in absence levels.

### ***Appendix 4 – Action Plan No. 3***

## **Arrangements for the prevention and detection of fraud**

56. We assessed the arrangements for the prevention and detection of fraud during the planning phase of our audit.
57. We conclude that there are effective arrangements for the prevention and detection of fraud, although it should be noted that no system can eliminate the risk of fraud entirely.

## **Arrangements for maintaining standards of conduct and the prevention and detection of corruption**

58. Audited bodies are responsible for ensuring that their affairs are managed in accordance with proper standards of conduct and have proper arrangements in place for implementing and monitoring compliance with standards and codes of conduct, standing orders and financial instructions. Auditors consider whether bodies have adequate arrangements in place. No issues have been identified by us for inclusion in this report.



## Best Value

59. Accountable officers have a specific responsibility to ensure that arrangements have been made to secure Best Value.
60. The Bòrd have considered Scottish Government guidance on Best Value and have been proactive in their approach. The duty of Best Value is also incorporated into the assessment of applications for funding.
61. The Bòrd continue to review the organisations to which it awards funding. During 2014/15 the approach to this review changed, with a greater focus on the financial information provided by organisations. This required organisations to submit quarterly financial returns. This was introduced to ensure the information provided by each is consistent and to allow the Bòrd to carry out analytical review and create profiles across the organisations. This information will then be used to inform decisions over the award of funding going forward.

### *Appendix 4 – Action Plan No. 4*

## Acknowledgements

62. We would like to express our thanks to the staff and members of Bòrd na Gàidhlig for their help and assistance during the audit of this year's financial statements which has enabled us to provide an audit report within the agreed timetable.

## Appendix 1 – Significant audit risks

The table below sets out the financial statement audit risks identified in our 2014/15 Annual Audit Plan, how we addressed each risk and our judgement in arriving at our opinion on the financial statements.

Audit Risk	Assurance procedure	Results and conclusions
<b>Risk of material misstatement / opinion risks</b>		
<p><b>Application of Scottish Government Funding</b></p> <p>The 2014/15 grant-in-aid allocation is split between funding for resource DEL (operating costs), the Gaelic Language Act Implementation Fund and Funds for Gaelic Development.</p> <p><i>There is a risk that funding will not be applied for the purposes intended.</i></p>	<ul style="list-style-type: none"> <li>• We reviewed the expenditure streams as part of the 2014/15 financial statements audit to ensure funding had been applied for the purposes intended.</li> <li>• We also reviewed the outturn against each grant-in-aid category to identify any overspends requiring Scottish Government approval.</li> </ul>	<p>Our review of the outturn against the annual allocation identified that they had overspent the Funds for Gaelic Development element of their allocation by £0.134 million. We therefore confirmed that the outturn position had been communicated to the Scottish Government Sponsor Division who approved the overspend against this grant-in-aid category.</p> <p><b>Satisfactory</b></p>

## Appendix 1 – Significant audit risks

Audit Risk	Assurance procedure	Results and conclusions
<p><b>Approval of severance, early retirement and redundancy terms</b></p> <p>The section of the SPFM on 'severance, early retirement and redundancy terms' now requires central government bodies to consult with the Scottish government before offering or entering into any settlement agreement.</p> <p><i>Failure to obtain the required approval for any such payments could impact on our regularity audit opinion.</i></p>	<ul style="list-style-type: none"> <li>• We obtained and reviewed relevant supporting documentation for the redundancy payment made during the year.</li> </ul>	<p>Our testing verified the value of the redundancy payment to the underlying calculation and confirmed that Scottish Government approval was obtained prior to any offer being made to the employee.</p> <p><b>Satisfactory</b></p>
<p><b>Late changes to SPFM or 2014/15 FReM</b></p> <p>The Bòrd require to produce unaudited accounts by the end of April 2015.</p> <p><i>There is a risk that any late changes to the SPFM or FReM will not be reflected in the accounts presented for audit.</i></p>	<ul style="list-style-type: none"> <li>• We met with finance staff during our interim visit to the Bòrd in January 2015 and discussed the impact on the 2014/15 financial statements of changes to the FReM and SPFM.</li> <li>• We reviewed the unaudited financial statements for compliance with the revised accounting and disclosure requirements.</li> </ul>	<p>No significant accounting or disclosure issues were identified from our review of the unaudited financial statements.</p> <p><b>Satisfactory</b></p>

## Appendix 1 – Significant audit risks

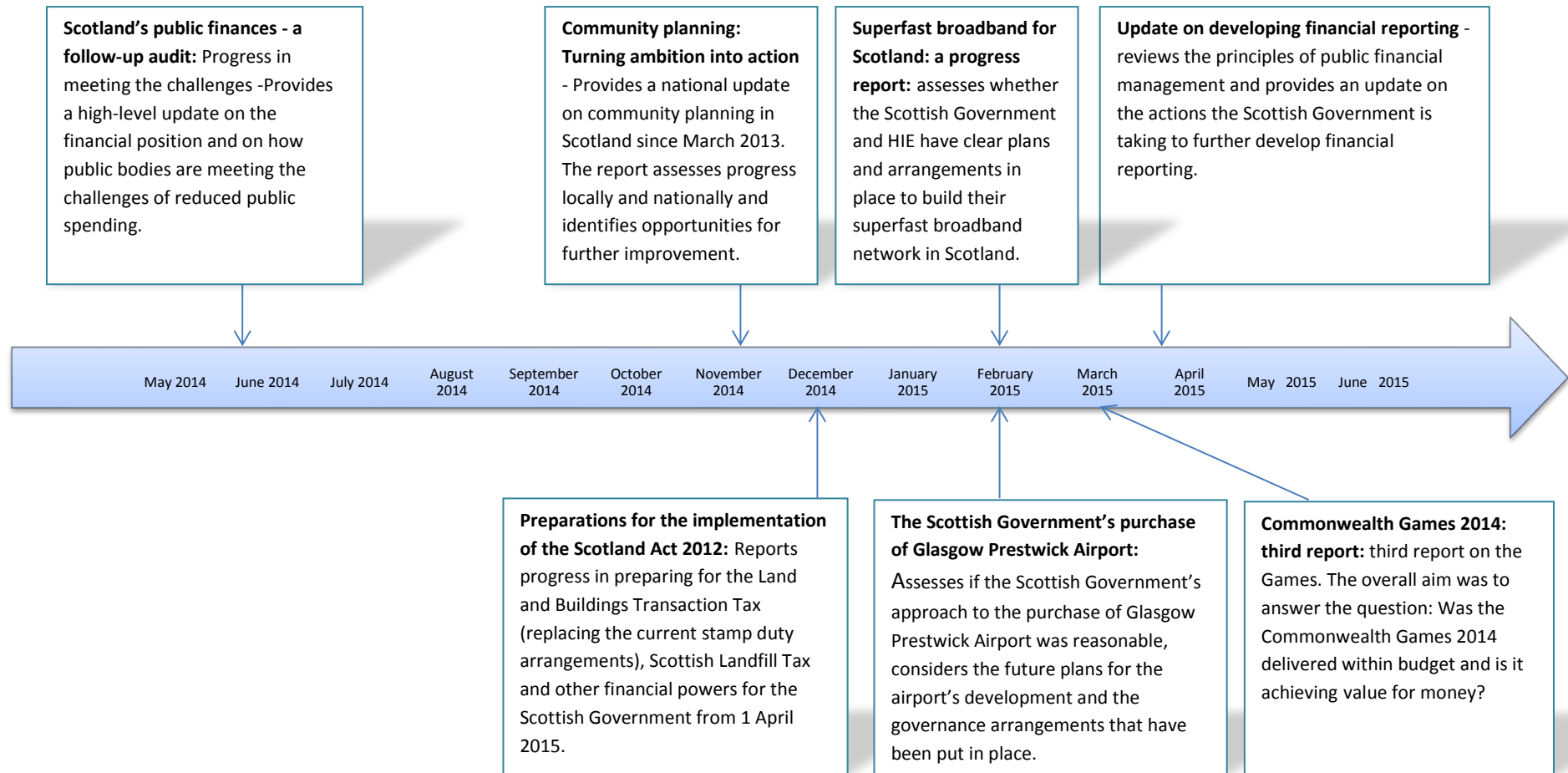
Audit Risk	Assurance procedure	Results and conclusions
<p><b>Risk of management override of control</b>            Management have the ability to override controls.  <i>There is an inherent risk that management manipulate accounting records and prepare fraudulent or biased financial statements by overriding controls that otherwise appear to be operating effectively.</i></p>	<ul style="list-style-type: none"> <li>• We reviewed a sample of high value journals processed during the year and the year-end journals.</li> <li>• We reviewed the basis of any accounting estimates.</li> <li>• We reviewed the regularity of a sample of high value or unusual income and expenditure transactions.</li> </ul>	<p>Our testing did not identify any instances of management override of controls during 2014/15.</p> <p><b>Satisfactory</b></p>

## Appendix 2 – Summary of local audit reports 2014/15

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## Appendix 3 – Summary of national reports 2014/15



## Appendix 4 – Action plan

No.	Para / Issue / Risk / Recommendation page	Management action / Response	Responsible officer	Target date
<b>Financial audit Issues</b>				
1.	37 <b>Issue:</b> Based on current projections the Bòrd would need additional resource to stay within their operational budget from 2016/17 onwards. <b>Risk:</b> The Bòrd may have insufficient resources to deliver the objectives of the National Gaelic Language Plan in the medium to long term. <b>Recommendation:</b> The Bòrd should review their operational arrangements going forward and discuss with their Scottish Government sponsor division the need for any further transfer between operational and development budgets.	Agreed	Ceannard	March 2016

## Appendix 4 – Action plan

No.	Para / Issue / Risk / Recommendation page	Management action / Response	Responsible officer	Target date
<b>Wider audit issues</b>				
2.	41-43 <b>Issue:</b> A new Ceannard and Cathraiche were recently appointed. <b>Risk:</b> There is a risk that the changes in the Bòrd and Senior Management Team will impact on the operational arrangements in the short term. <b>Recommendation:</b> The Bòrd, Ceannard and other members of the Senior Management Team should work together to ensure that the organisation can continue to operate effectively to deliver the objectives of the current Gaelic Language Plan.	Agreed	Ceannard	Ongoing



## Appendix 4 – Action plan

No.	Para / Issue / Risk / Recommendation page	Management action / Response	Responsible officer	Target date
3.	55 <p><b>Issue:</b> Since 2011/12 the Bòrd's sickness absence rates have been steadily increasing year-on-year.</p> <p><b>Risk:</b> There is a risk that the levels of sickness absence will impact upon the ability of the organisation to function effectively.</p> <p><b>Recommendation:</b> The Bòrd should ensure that adequate arrangements are in place to manage sickness absence and to identify any work pressures, or other factors, that may be contributing to the increase in absence levels.</p>	Agreed	Ceannard	December 2015
4.	61 <p><b>Issue:</b> The Bòrd continues to review the organisations to which it awards funding.</p> <p><b>Risk:</b> Recipients may not be using the funding for the purposes intended, or making best use of the money received.</p> <p><b>Recommendation:</b> The Bòrd should withdraw funding from those organisations that it deems are not delivering in line with funding expectations.</p>	Agreed	Ceannard	Ongoing