

National Archives of Scotland Audit Committee Meeting
Monday 18 April 2005, 09:30am
Lord Clerk Register's Room, General Register House

Present: George MacKenzie (Chair, NAS),
Dave Brownlee, Jim Grady (NAS),
Helen Berry, (*PricewaterhouseCoopers*),
Stephen Bruce (LPS: CPS), Alison Chisholm (ROS),
Derek Glover (FCS: ASU), Alistair May (FCS: ASU), Michael
Healy (FCS: ASU), Sandra Stewart (FCS: FEP)
and Morag Fyfe (Secretary, NAS).

Apologies: Nicola Fisher (FCS: FEP),
Lindsey Paterson (*PricewaterhouseCoopers*)

1. Minutes of last meeting

Approved. It was also agreed that Risk Registers will become a standing agenda item.

2. Follow up for 2003/04 audit recommendations (*paper circulated*)

Helen Berry presented the paper which follows up on progress against the external audit recommendations for 2003/04. It was noted that in the Executive Summary in Section 1 there were in fact 5 Not Yet Implemented recommendations, rather than 6, which brings the total number of agreed recommendations to 21.

She talked the meeting through the action points in Appendix A. Alison Chisholm asked if it was acceptable that only a few of the action points had been fully implemented. Helen Berry replied that ideally they would be more fully implemented, however, the annual report to management had only been issued in October, which had not left much time for completion. The processes are in place now, however, so that next time most of them should be fully implemented. Dave Brownlee noted that most of the items were being actioned. The NAS is happy to accept the recommendations and agreed that the dates given are realistic.

3. NAS Audit Service Plan (*paper circulated*)

Helen Berry presented the paper, which provides a summary of the audit approach for the year. She noted that this is very similar to last year as the audit process has not changed. There is, however, a new Team Leader for the audit team, Paul Eardley.

4. Internal Audit Report (*paper circulated*)

Alister May presented the paper.

Internal Audit Plan: This is an update of last year's plan. Other areas to be considered for coverage in the future were outlined in Appendix B.

Progress Report on Activities 04/05: There will be a full update at the next meeting, however it was noted that good progress has been made so far. There were two outstanding issues identified by Alister May: the position of security officer and the appointment of a sub accountant.

Freedom of Information implications for Audit work: This was provided to the meeting for information. Alister May stated that Internal Audit will deal with everything on a case by case basis. They will not release any of their internal reports unless there is a request for it, and then they will have to consider it in consultation

with the agency concerned. PwC asked that they be consulted in regards to requests for external reports. George MacKenzie noted that he could not foresee any area where an exemption might apply.

Service Level Agreement: This is an updated draft of the Service Level Agreement between NAS and the Scottish Executive Audit Unit. Paragraph 16 had been added and this was welcomed by the NAS. Internal audit asked for agreement on it. George MacKenzie replied that they would need to check through it but that in principle he did not see any problems with it.

ACTION – NAS to sign and send SLA back to Internal Audit.

5. Any Other Business

5.1 Audit Committee Terms of Reference

The terms of reference were agreed by Mike Healy and Dave Brownlee and were put to the committee. They were agreed by the committee with the slight adjustment of ‘twice a year’ in the first bullet point of *Meetings* and the removal of ‘where appropriate’ in the second bullet point of *Responsibilities*. It was also agreed that the meeting should be chaired by an external member, and Alison Chisholm will take up this duty from the next meeting.

5.2 NAS Risk Register

Dave Brownlee presented the papers. He noted that the Physical Risk Register was presented separately because losing records is the NAS’s biggest risk. It was also noted that the Registers Archives Conversion project and the Scottish Family History Centre project both have their own risk registers. The Risk Register is now due for formal review. George MacKenzie took the meeting through the points and invited comments. In the Physical Risk Register only one entry, that relating to vandalism and the external fabric of the building, is noted as Likelihood High, Impact High. Alison Chisholm questioned whether the likelihood should be high. George MacKenzie accepted that medium might be more appropriate.

6. Date of next meeting

Morag Fyfe will canvas members for a date in July.