

**Coinneamh:** Comataidh Sgrùdaidh is Dearbhachd  
**Ceann-là/Àm:** 20 Cèitean 2025 aig 09.30  
**Càite:** Microsoft Teams

### **Clàr-gnothaich – Seisean Fosgailte**

#### **1. Cùisean Tòiseachaidh**

- 1.1. Fàilte is Leisgeulan**
- 1.2. A’ Nochdadh Com-pàirtean**
- 1.3. Gnothaich Iomchaidh Sam Bith Eile (GISBE)**

#### **2. Aithisgean In-Sgrùdaidh**

##### **2.1. In-sgrùdadh: Aithisgean Ràitheil (Ri Aontachadh)**

PT1 Rola-pàighidh agus cosgaisean  
PT2 Buidhnean Taobh a-muigh - Stiùireadh Coileanaidh  
PT3 Leanmhainn  
*Scott McCready, Wbg*

##### **2.2. Plana In-sgrùdadh (Ri Aontachadh)**

PT1 Plana In-sgrùdaidh 2025/26  
*Scott McCready, Wbg*

##### **2.3. Aithisg Bhliadhnail In-sgrùdadh (Ri Aontachadh)**

PT1 Aithisg Bhliadhnail In-sgrùdadh  
*Scott McCready, Wbg*

##### **2.4. Inbhe Molaidhean Sgrùdaidh (Ri Aontachadh)**

PT1 Molaidhean Sgrùdaidh  
*Nicola Pearson, Ceann an Ionmhas is Cùisean Corporra*

#### **3. Rianachd Mhì-chinntean**

##### **3.1. Ro-innleachd Mhì-chinntean (Ri Aontachadh)**

PT1 Ro-innleachd Mhì-chinntean  
*Nicola Pearson, Ceann an Ionmhas is Cùisean Corporra*

### **3.2. Rianachd Mhì-chinntean Ro-innleachdail (Ri Aontachadh)**

PT1 Clàr Mhì-chinntean Ro-innleachdail

*Nicola Pearson, Ceann an Ionmhas is Cùisean Corporra*

## **4. Riaghladh**

### **4.1. Aithris Luach as Fheàrr (Ri Aontachadh)**

PT1 Aithris Luach as Fheàrr

*Nicola Pearson, Ceann an Ionmhas is Cùisean Corporra*

### **4.2. Aithisg Bhliadhnail na Comataidh Sgrùdaidh is Dearbhachd (Ri Aontachadh)**

PT1 Aithisg Bhliadhnail CSD 2024/25

*Stewart MacLeòid, Cathraiche na Comataidh*

### **4.3. Ath-sgrùdadh air na Bun-riaghailtean (Ri Aontachadh)**

PT1 Bun-riaghailtean an Comataidh Sgrùdaidh is Dearbhachd

*Nicola Pearson, Ceann an Ionmhas is Cùisean Corporra*

### **4.4. Plana Obrach an Comataidh Sgrùdaidh is Dearbhachd (Ri Aontachadh)**

PT1 Plana Obrach 2025/26

*Nicola Pearson, Ceann an Ionmhas is Cùisean Corporra*

## **5. GISBE**

Ceann-là na h-ath choinneimh: 23/09/2025

**Deireadh an t-Seisein**

**Meeting:** Audit and Assurance Committee  
**Date/Time:** 20 May at 09.30  
**Location:** Microsoft Teams

### **Agenda – Open Session**

#### **1. Opening Items**

- 1.1. Welcome and Apologies**
- 1.2. Declarations of Interest**
- 1.3. Any Other Competent Business (AOCB)**

#### **2. Internal Audit Reports**

##### **2.1. Internal Audit: Quarterly Reports (For Decision)**

PT1 Payroll and Expenses  
PT2 Performance Management Delivery Partners  
PT3 Follow up Review  
*Scott McCready, Wbg*

##### **2.2. Annual Internal Audit Report (For Decision)**

PT1 Annual Report  
*Scott McCready, Wbg*

##### **2.3. Internal Audit Plan (For Decision)**

PT1 Internal Audit Plan 2025/26  
*Scott McCready, Wbg*

##### **2.4. Status of Audit Recommendations (For Decision)**

PT1 Audit Recommendations  
*Nicola Pearson, Head of Finance and Corporate Affairs*

#### **3. Risk Management**

##### **3.1. Risk Management Strategy (For Decision)**

PT1 Risk Management Strategy  
*Nicola Pearson, Head of Finance and Corporate Affairs*

##### **3.2. Strategic Risk Management (For Decision)**

PT1 Strategic Risk Register  
*Nicola Pearson, Head of Finance and Corporate Affairs*

**4. Governance**

**4.1. Best Value Statement (For Decision)**

PT1 Best Value Statement

*Nicola Pearson, Head of Finance and Corporate Affairs*

**4.2. Audit & Assurance Committee Annual Report (For Decision)**

PT1 AAC Annual Report 2024/25

*Nicola Pearson, Head of Finance and Corporate Affairs*

**4.3. Review of the Terms of Reference (For Decision)**

PT1 Audit and Assurance Committee Terms of Reference

*Nicola Pearson, Head of Finance and Corporate Affairs*

**4.4. Audit and Assurance Committee Work Plan (For Decision)**

PT1 Work Plan for 2025/26

*Nicola Pearson, Head of Finance and Corporate Affairs*

**5. AOCB**

Date of the next meeting: 23/09/2025

**End of Session**

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Internal Audit Reports
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	2.1
<b>Spokesperson:</b>	Scott McCready, Wbg Services LLP
<b>Appendices:</b>	PT1 Payroll and Expenses PT2 Performance Management Delivery Partners PT3 Follow up review

## 1. Purpose

- 1.1. The paper presents the internal audit reports produced by Wbg following the work undertaken in March 2024.
- 1.2. The paper is in English as reports have been prepared by the Internal Auditor.

## 2. Background/Main points

- 2.1. This is the final set of reports relating to the Internal Audit schedule for 2024-25 to come to the Audit and Assurance Committee.
- 2.2. For each area of review, the Internal Auditors assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

- 2.3. Where recommendations are made, a grading of High, Medium or Low priority is assigned, depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit and Assurance Committee and addressed by Senior Management of the organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

2.4. Below is a summary of recommendations made and areas of good practice noted by Wbg in this first reporting cycle of 2024/25.

Report	Rating	Recommendations	Grading	Areas of good practice
Payroll and Expenses	Strong	3	Low	4
Performance Management Delivery Partners	Strong	0	n/a	6
Follow up review	Substantial	2	High /Low	n/a

### 3. Recommendation

3.1. The Committee are requested to approve the reports presented.

### 4. Main Strategic Impacts

- 4.1. Impact on Finance: Internal audit fees are included in the budget.
- 4.2. Impact on Staff: N/A
- 4.3. Impact on Training: Once recommendations implemented, desk notes testing & training may be required.
- 4.4. Link to Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: It is important the Bòrd na Gàidhlig continues to demonstrate improvement and internal audit reviews contribute to this.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: N/A
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

### 5. Links to the National Performance Framework

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

## **Paper 2.1**



### **6. Governance Route**

6.1. Management response agreed by Leadership Team 8 May 2025 .

### **7. Confirmation of Circulation of Document**

7.1. This is an open paper.



## Bòrd na Gàidhlig

### Internal Audit 2024-25

Payroll and Expenses  
March 2025

### Overall Conclusion

Strong



# Table of contents

Bòrd na Gàidhlig  
Payroll and Expenses

Section	Page
1 EXECUTIVE SUMMARY .....	2
2 BENCHMARKING.....	11
3 DETAILED RECOMMENDATIONS.....	12
4 OBSERVATIONS.....	17
5 AUDIT ARRANGEMENTS.....	18
6 KEY PERSONNEL.....	19
<b>Appendix</b>	<b>Page</b>
A GRADING STRUCTURE.....	21
B ASSIGNMENT PLAN.....	23

The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Bòrd na Gàidhlig's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

# 1 Executive summary

## Overview

### Purpose of review

The purpose of this assignment was to assess if Bòrd na Gàidhlig (the Organisation) is calculating its payroll correctly and there are robust process in place to ensure that payroll is processed timely. This included consideration of deductions and additions to salaries, including expenses.

This review formed part of our 2024/25 Internal Audit Annual Plan.

### Scope of review

Our objectives for this review were to assess whether:

- | Payroll data is properly reviewed and authorised before being processed.
- | Staff are only paid for the hours that they have worked.
- | Leavers are appropriately removed from the system in a timely manner so overpayments are not made.
- | New starts are accurately entered onto the payroll system and are paid accurately and timely.
- | Expense claims are appropriately authorised by the employees line manager and where necessary include the relevant supporting documentation.
- | Appropriate reconciliations are carried out.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

# 1 Executive summary

Bòrd na Gàidhlig  
Payroll and Expenses

## Limitation of scope

There was no limitation of scope.

# 1 Executive summary

## Background Information

### Payroll Desktop Instructions

The Organisation has desktop instructions for Payroll which were last updated in April 2024 and are reviewed on an annual basis.

### Payroll System

The Organisation utilise myePayWindow, a secure server for payroll. Access to myePayWindow is limited to the Finance Administrator and the Head of Finance & Corporate Affairs. Payroll information is stored in SharePoint (Finance > Tuarastail) and Xero for accounting.

### Payroll Process

The Organisation confirmed that they outsource to the payroll provider, Equiom who handle payroll processing, reports, and pension updates.

#### Payroll Preparation:

- | Payroll variations (overtime, new starts, leavers, allowances) are recorded and emailed to the Finance Team, and variations are entered into the Payroll Calculation Sheet and approved by the Head of Finance & Corporate Affairs and Ceannard.
- | Salary calculations and other payroll data are uploaded to myePayWindow.
- | Equiom processes payroll and provides the following reports:
  - Approval Report;
  - Payslips; and
  - Pension Report.

which are then downloaded and filed in SharePoint (Tuarastail).

- | Final salary journal entries are made in Xero and BACS payments and HMRC submissions are completed.

# 1 Executive summary

## External Payroll Consultant:

Equiom is the external payroll consultant responsible for processing salaries, tax deductions, and pension contributions. They receive payroll data via myePayWindow, ensure compliance with HMRC regulations, and provide key reports such as payslips, approval reports, and pension summaries. They also handle BACS payments and emergency payroll processing if needed.

## Payroll Checking Process:

- | The approval report, payslips, and pension report are received from Equiom via myePayWindow.
- | The Finance Assistant will then review the approval report against payroll records.
- | The Head of Finance & Corporate Affairs reviews and approves the payroll summary.
- | Upon final approval, the payroll is submitted to Ceannard for authorisation and Ceannard authorises BACS payments, and Equiom is instructed to process payroll.

We reviewed the payroll for three months (December 2024 to February 2025) to ensure they were reconciled and approved appropriately; no issues were found.

## **New Starts**

The process for new starts includes the line manager submitting a new start form to the Finance Team who will update the Tuarasdail spreadsheet with the new employee details. A Real-Time Information (RTI) Sheet is completed and uploaded to myePayWindow and the employee detail form is completed and uploaded to myePayWindow.

We selected a sample of five new starts, who commenced employment from January 2023 – October 2023 as there have been no recent new starts, and we were able to confirm that all five had been appropriately added to the payroll system and received the correct pay in their first payslips. However, for one of the sample, we found that the HMRC checklist was completed but not signed. Please see **Section 3: Detailed Recommendation** for further information.

# 1 Executive summary

## Leavers

The process for leavers includes the payroll being updated with the leaver's final pay details, an exit interview is completed, and final payroll adjustments are made before processing.

For a sample of eight leavers who left employment between January 2024 – October 2024, we were able to confirm that all eight had been paid appropriately in line with days worked and had been removed from the subsequent months' payroll. However, we found for one staff member that a resignation letter/email was not retained. Please see **Section 3: Detailed Recommendation** for further information.

## Expenses

The process for staying with friends allowance includes the Line Manager approving this in advance. The allowance is then added to the payroll calculation sheet which is reviewed by the Head of Finance and Corporate Affairs.

The process for other expenses includes the Line Manager approving expenses in advance as part of a travel request form and forwarding this to the Finance Team. Expense claims are then submitted via XeroMe application with supporting evidence such as receipts, invoices and AA route planner for mileage claims.

For a sample of 10 expense claims submitted between November 2024 and January 2025, we were able to confirm that all had been appropriately approved before payment. However, when reviewing the Xero system, we found that for two sampled the expense form was not attached to the system. Please see **Section 3: Detailed Recommendation** for further information.

## Overtime

Overtime claims are submitted by employees and approved by their Line Manager, then these are emailed to the Finance Team for processing. Overtime payments are recorded in the Payroll Calculation Sheet and the Head of Finance & Corporate Affairs approves the final amounts. However, it was discussed and confirmed that no overtime has been claimed.

# 1 Executive summary

## Work Undertaken

Our work undertaken for this review included the following:

### **Objective 1: Payroll data is properly reviewed and authorised before being processed.**

- | We reviewed the payroll authorisation process in place at the Organisation to ensure the process is robust.
- | We undertook sample testing of the last three months of payroll authorisation within the Organisation to ensure this was appropriately reviewed and authorised prior to being processed.

### **Objective 2: Staff are only paid for the hours that they have worked.**

- | We reviewed the process for claiming overtime and confirmed that overtime is not claimed at the Organisation.

### **Objective 3: Leavers are appropriately removed from the system in a timely manner, so overpayments are not made.**

- | We reviewed a sample of eight leavers to ensure their final salaries had been adjusted to incorporate their leaving date, as well as ensuring the employees were appropriately removed from the following months' payroll.

### **Objective 4: New starts are accurately entered onto the payroll system and are paid accurately and timely.**

- | We sampled five new starts to ensure their details had been accurately entered into the payroll system, and that their first payslip was appropriately calculated.

### **Objective 5: Expense claims are appropriately authorised by the employee's line manager and where necessary include the relevant supporting documentation.**

- | We sampled 10 expense claims to ensure they had been appropriately authorised, and evidence of the claim was retained.

# 1 Executive summary

Bòrd na Gàidhlig  
Payroll and Expenses

## **Objective 6: Appropriate reconciliations are carried out.**

- | We reviewed the payroll reconciliations from the payroll report to the BACS reports from December 2024 to February 2025 and confirmed that the payroll had been correctly reconciled.



# 1 Executive summary

## Conclusion

### Overall conclusion

#### Overall Conclusion: Strong

Following our review, we can provide the Organisation with a strong level of assurance surrounding the processes in place to administer their payroll. Whilst we have raised several good practice points, we have identified three low grade recommendations for improvement. Please **See Section 3: Detailed Recommendations** for further information.

### Summary of recommendations

Grading of recommendations				
	High	Medium	Low	Total
Payroll and Expenses	0	0	3	3

As can be seen from the above table there were no recommendations made which we have given a grading of high.

# 1 Executive summary

## Areas of good practice

**The following is a list of areas where the Organisation is operating effectively and following good practice.**

1.	During our sample testing, we reviewed the authorisation of payroll from December 2024 to February 2025 and can confirm that they are being appropriately reviewed and authorised before being processed.
2.	From our sample of leavers, we were able to confirm that all had been appropriately paid in line with days worked and outstanding annual leave. We were also able to confirm all leavers had been appropriately removed from the subsequent months' payroll.
3.	We confirmed that the offboarding process is satisfactory as we reviewed eight leavers and confirmed their equipment was returned and listed correctly, with procedures followed where applicable.
4.	We reviewed the payroll and BACS payment processes for December 2024 – February 2025 and found that the documents were appropriately authorised.

## 2 Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

### Payroll and Expenses

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	1	2	3
Number of recommendations at Bòrd na Gàidhlig	0	0	3	3

From the table above it can be seen that the Organisation has a similar number of recommendations compared to those organisations it has been benchmarked against.

### 3 Detailed recommendations

Travel Expense Forms on Xero			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>The Organisation should ensure travel expense claims are completed and uploaded to Xero.</p> <p>During our review of 10 expenses, we found:</p> <ul style="list-style-type: none"> <li>Four out of eight tested did not have a request form on the system.</li> </ul> <p>For two of the incomplete samples, the forms were completed but not uploaded to the system (now uploaded). For the other two samples, no expense form was available as they were submitted during the start of the hybrid working scheme. The travel request process is now in place for these individuals.</p> <p>Following our root cause analysis, this was due to an oversight and a lack of monitoring in ensuring that completed forms were uploaded to the system.</p> <p>There is the risk that incomplete or missing travel expense forms could lead to incorrect claims.</p>	<b>Low</b>	<p>The Organisation should ensure that all request forms are fully completed through improved monitoring of travel expense claims and provide clearer guidance to ensure all forms are completed and uploaded on time.</p>

### 3 Detailed recommendations

Management response	Responsibility and implementation date
We will ensure that, where appropriate, a travel request form is uploaded to Xero to evidence the approval of expenses claims.	<i>Responsible Officer: Helen Walker Finance Administrator</i>  <i>Implementation Date: 31/03/2025</i>

### 3 Detailed recommendations

Signing of HMRC Starter Checklist			
Ref.	Finding and Risk	Grade	Recommendation
2.	<p>The Organisation should ensure that the Starter Checklist is completed in full, as HMRC requires accurate and complete information for proper tax reporting, with the signature verifying the employee's details.</p> <p>As part of our new starters testing, we reviewed five samples and found that one sample had a completed checklist, but it was not signed by the staff member.</p> <p>Following our root cause analysis, we identified that this issue was due to difficulties in obtaining the required form from the staff member.</p> <p>There is the risk that missing signatures and dates on the HMRC Starter checklist could lead to non-compliance with tax regulations and potential issues during audits.</p>	<b>Low</b>	<p>We recommend the Organisation implements a process to ensure staff members return the completed HMRC Starter Checklist within a set time frame to improve compliance.</p>

### 3 Detailed recommendations

Management response	Responsibility and implementation date
We will ensure that with future new starts, the HMRC form is fully completed.	<i>Responsible Officer: Helen Walker Finance Administrator</i>  <i>Implementation Date: 31.03.2025</i>

### 3 Detailed recommendations

Resignation Evidence			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>The Organisation should retain resignation documentation to maintain proper payroll records and ensuring that employee departures are clearly documented.</p> <p>We sampled eight leavers from January 2023 to October 2024 and we identified that one of eight tested lacked a resignation letter or email.</p> <p>Following our root cause analysis, we identified that this issue arose because the resignation documentation was not sent to the Head of Finance and Corporate Affairs or the Finance Officer and as a result, there was no formal record of the resignation on file.</p> <p>There is the risk that without proper resignation documentation, the organisation may face difficulties in verifying employee departures, which could lead to payroll discrepancies or disputes.</p>	<b>Low</b>	<p>We recommend the Organisation implements a process where resignation documentation is sent directly to the Head of Finance and Corporate Affairs or the Finance Officer within a set timeframe. This ensures a formal record is created and maintained for all leavers.</p>



### 3 Detailed recommendations

Management response	Responsibility and implementation date
We will ensure that for all future leavers an appropriate form of notice is received and retained by finance	<i>Responsible Officer: Nicola Pearson Head of Finance and Corporate Affairs</i>  <i>Implementation Date: 31.03.2025</i>

## 4 Audit arrangements

Bòrd na Gàidhlig  
Payroll and Expenses

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	11 March 2025
Closing meeting	17 March 2025
Draft report issued	25 March 2025
Receipt of management responses	17 April 2025
Final report issued	23 April 2025
Audit Committee	20 May 2025
Number of audit days	4

## 5 Key personnel

Bòrd na Gàidhlig  
Payroll and Expenses

We detail below our staff who undertook the review together with the Organisation staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner	gg@wbg.co.uk
Director	Peter Clark	Director	pcc@wbg.co.uk
Manager	Scott McCready	Internal Audit Manager	smc@wbg.co.uk
Auditors:	Hannah Khan	Internal Auditor	hk@wbg.co.uk
	Rory Kemp Smith	Internal Auditor	rks@wbg.co.uk

Bòrd na Gàidhlig			
Key Contact	Nicola Pearson	Head of Finance & Corporate Affairs	nicola@gaidhlig.scot
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			



# A Grading structure

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance Classification	
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

# A Grading structure

Bòrd na Gàidhlig  
Payroll and Expenses

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

## Purpose of review

The purpose of this assignment is to assess if the Organisation is calculation its payroll correctly and there are robust process in place to ensure that payroll is processed timely. This will include consideration of deductions and additions to salaries, including expenses.

This review forms part of our 2024/25 Internal Audit Annual Plan.

## Scope of review

Our objectives for this review are to assess whether:

- | Payroll data is properly reviewed and authorised before being processed.
- | Staff are only paid for the hours that they have worked.
- | Leavers are appropriately removed from the system in a timely manner so overpayments are not made.
- | New starts are accurately entered onto the payroll system and are paid accurately and timely.
- | Expense claims are appropriately authorised by the employees line manager and where necessary include the relevant supporting documentation.
- | Appropriate reconciliations are carried out.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

## Limitation of scope

There was no limitation of scope.

## Audit approach

Our approach to the review will be:

- | Discussion with key personnel to establish the current arrangements for payroll and expenses.
- | Evaluating these arrangements to confirm their adequacy.
- | Review of documentation to confirm that policies and procedures are in place, up to date and comply with relevant legislation and good practice.
- | Testing to confirm that procedures are being adhered to by relevant staff.
- | Testing to confirm that payroll is being correctly calculated, authorised and recorded.
- | Testing to confirm that expenses are being correctly claimed and authorised in line with Organisations procedures.



## Potential key risks

The potential key risks associated with the area under review are:

- | Staff are paid for hours that they have not worked.
- | Expense claims are not genuine or are unauthorised expenses.
- | Final salaries are not adjusted to reflect the employee's leaving date. Leavers continue to be paid after their last date of employment.
- | Staff loans/equipment provided to employees are not recovered when the employee leaves the organisation.
- | New starts salaries are not adjusted to reflect their start date.
- | Appropriate reconciliations are not carried out.
- | In the absence of approval at an appropriate level, the payroll may be manipulated with incorrect payments being made to certain employees.



## Bòrd na Gàidhlig

### Internal Audit 2024-25

External Organisations (MFO's) - Performance Management  
April 2025

### Overall Conclusion

Strong

# Table of contents

Section	Page
1 EXECUTIVE SUMMARY .....	2
2 BENCHMARKING.....	12
3 AUDIT ARRANGEMENTS.....	13
4 KEY PERSONNEL.....	14
<b>Appendix</b>	<b>Page</b>
A GRADING STRUCTURE .....	16
B ASSIGNMENT PLAN.....	18

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We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

# 1 Executive summary

## Overview

### Purpose of review

The purpose of this assignment was to review the processes and procedures in place at Bòrd na Gàidhlig (the Organisation) around the confirmation of receipt of performance reports for major Gaelic development partners (MFOs). We also reviewed the procedures and processes applied by the Grants management Team.

This review formed part of the 2024/25 Internal Audit Annual Plan.

### Scope of review

Our objectives for this review were to assess whether:

- | The Organisation has robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.
- | Staff members are adhering to the processes and procedures applied by the Grants Management Team.
- | MFOs are adhering to the performance requirements set out within their grant award.
- | The performance of the MFOs is reported to Senior Management and the Board.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

### Limitation of scope

There was no limitation of scope.

# 1 Executive summary

## Background Information

### Grants to Gaelic Organisations

The Organisation receives a Grant-in-Aid award from the Scottish Government for each financial year so that it can meet its aims and obligations. The Funding Scheme page of the Organisation's website states:

*It is through funding the main Gaelic organisations and other agreed contractors that the Organisation carries out the majority of the work for which it is responsible. However, sometimes the Organisation will award contracts to relevant individuals and organisations in order to accomplish a specific strategic goal, and the Organisation also funds initiatives in partnership with other organisations. The Organisation distributes funding to public bodies who are drafting and implementing Gaelic language plans.*

### Delivery Partner Funding

The Organisation provides around £2.4 million in funding each year for organisations that help promote Gaelic usage, learning and status to aid with the delivery of Bòrd na Gàidhlig's Corporate Plan.

During 2024/25, the Organisation provided funding to the following Delivery Partners:

- | Acair;
- | Ainmean-Àite na h-Alba;
- | Ceòlas Uibhist;
- | Comhairle nan Leabhraichean;
- | An Comunn Gàidhealach;
- | Comunn na Gàidhlig;
- | Faclair na Gàidhlig;
- | Fèisean nan Gàidheal;
- | Ionad Chalum Chille Ìle;
- | Stòrlann Nàiseanta na Gàidhlig;

# 1 Executive summary

- | Theatre Gu Leòr; and
- | Tobar an Dualchais.

## Desktop Instructions

The Organisation has Desktop Instructions which are used to record the processes involved in inviting, receiving, evaluating, approving and paying grants under the Delivery Partners funding scheme, in support of the Bòrd na Gàidhlig Framework Document and Bòrd na Gàidhlig's Corporate Plan.

The Instructions are updated on an annual basis by the Funding & Projects Manager and approved by Sgioba Stiùiridh. The current Instructions are to be updated and approved for 2025 where tracked changes are currently listed and to be confirmed following the completion of this review.

## Processes and Procedures

### Application and Assessment Stage

- | The priorities and general rules of the scheme are to be presented to the Policy and Resources Committee for approval, which are to be based on the priorities and actions set out in Bòrd na Gàidhlig's Corporate Plan and Bòrd na Gàidhlig's Operational Plan.
- | Organisations are invited to apply based on their ability to contribute to the Bòrd na Gàidhlig Corporate Plan.
- | Applications are submitted by applicants in Fluxx, which electronically stores information about the application and applicant and assigns a unique code to the application.
- | After the closing date of the scheme, the Organisation will screen applications to ensure they comply with the rules of the fund, returning non-compliant applications to applicants to correct, and moving compliant applications to assessment via Fluxx.
- | At this stage, the Organisation add tags to the application in Fluxx by subject area, location and the Bòrd na Gàidhlig Corporate Plan objectives the application applies to.

# 1 Executive summary

- | A panel of a minimum of three Bòrd na Gàidhlig officers or directors will review each application according to the pre-determined assessment criteria.
- | After this phase of assessment, a round of meetings should be arranged with applicants to discuss any queries and provide further depth of information on the proposed programme.
- | The panel should then meet again to determine proposed funding amounts, conditions and KPIs for the applicant.
- | The conclusions of the panel are presented to the Senior Management Team (SMT) for approval.
- | The SMT decides whether to recommend to the Board that the application is approved, approved in principle or refused, what sum of funding to offer and any special conditions and KPIs to apply to the grant.
- | All applications are presented to the Board for decision of whether to approve the application, approve the application in principle pending fulfilment of criteria, request further information or reject the application.
- | For approved applications, funding for the next financial year is considered approved and funding for any future financial years is considered approved in principle, and subject to review and re-decision by the Board before each subsequent financial year.

## Post-Decision

- | After the Organisation receives confirmation from its sponsor division at the Scottish Government of grant-in-aid for the upcoming financial year, a letter of offer and funding agreement can be prepared for issue to the applicant for that financial year.
- | Approved applications are sent a letter of offer by the Chief Executive and rejected applications are sent a letter of refusal. The letter of offer will include standard grant conditions, application-specific conditions, a bank details form and a timetable for the project for the given financial year.
- | The funding agreement shall include a breakdown of programme areas and how much of the Grant should be spent in delivery of them, a timetable of payments, a timetable for progress reports, and a schedule detailing targets for each of the programme areas and general functions of the applicant.

# 1 Executive summary

- | The letter of offer and funding agreement are sent by the Chief Executive to the Chief Executive or equivalent of the applicant, along with standard grant conditions and a bank details form.

## Progress, Monitoring and Evaluation

- | Dependant on the sum of the Grant, requirements of the applicant and the perceived risk of the Grant and Programme Delivery, applicants may be asked to submit progress reports every three months, four month or six months.
- | Progress reports must be submitted by the deadline as specified in the timetable for progress reports within the funding agreement, unless a mitigating circumstance is presented and accepted by the Funding Manager.
- | On return of a satisfactory report for the project, the Organisation will review the report and complete a review form in Fluxx.
- | If further information or responses are required, the Organisation may return to the Applicant to request these before proceeding.
- | Once the report is reviewed it is passed on to the Director. The Director will decide to approve the report or request more information.
- | On return of a satisfactory progress report for the project, the Director notifies the Finance Team to release the next part of the grant payment (in full or in part depending on requirements and income/expenditure reports) to the Applicant.
- | If the progress report indicates that the Applicant does not require, or is not eligible, to receive the next part of the grant payment – this part of the purchase order is cancelled.
- | If the progress report indicates that the project has not utilised the grant monies that have been received to date, the Director, Funding and Finance proceed to assess recovery of the overpayment in accordance with the Overpayments section of the Scottish Public Finance Manual.
- | Where a separate funding agreement exists and the payments of that agreement are pending completion of the grant where there is an overpayment, typically the first payment of the new agreement should be reduced to offset the overpayment
- | Payments are made by Finance following the same procedure as for creditor payments.



# 1 Executive summary

## Testing

We undertook testing of the 12 Delivery Partner Organisations to assess whether staff were adhering to the documented procedures for each of the grants. We tested the following organisation and found no issues:

Organisation	Amount Funded
Acair	£61,500
Ainmean-Àite na h-Alba	£85,680
Ceòlas Uibhist	£80,000
Comhairle nan Leabhraichean	£193,150
An Comunn Gàidhealach	£133,250
Comunn na Gàidhlig	£1,005,000
Faclair na Gàidhlig	£82,340
Fèisean nan Gàidheal	£230,000
Ionad Chaluim Chille Ìle	£100,000
Stòrlann Nàiseanta na Gàidhlig;	£300,000
Theatre Gu Leòr	£62,000
Tobar an Dualchais	£42,000

# 1 Executive summary

Bòrd na Gàidhlig  
External Organisations (MFO's) - Performance Management

## Reporting

Two reports are provided to the Policy and Resources Committee each year to inform the Committee on the work of Delivery Partners and their progress in fulfilling their performance requirements as set out in their grant awards. We reviewed the reports for September 2024 and February 2025 and confirmed that the Organisation has implemented the 2023/24 recommendation to provide additional updates on Delivery Partner performance.

# 1 Executive summary

## Work Undertaken

### **Objective 1: The Organisation has robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.**

- | Discussions with the Funding and Projects Manager to establish the arrangements in place for the Delivery Partner Funding scheme.
- | Evaluating these arrangements to confirm their adequacy and evaluating whether they comply with current guidance and good practice.
- | A review of Desktop Instructions to assess whether they provide clear guidance for staff members.
- | A review of the Organisation's website to assess whether it included appropriate coverage of Delivery Partner grants.

### **Objective 2: Staff members are adhering to the processes and procedures applied by the Grant's Management Team.**

- | Testing of the 12 Delivery Partner Organisations to assess whether staff members were adhering to the processes and procedures applied by the Grant's Management Team. This included the processes for applications, assessments, SMT and Board approval, funding agreements, and confirming that payment records matched bank statements.

### **Objective 3: MFOs are adhering to the performance requirements set out within their grant award.**

- | Testing of the 12 Delivery Partner Organisations to assess whether MFOs were adhering to the performance requirements set out within the schedule of their signed funding agreements. This included assessing final reports for 2023/24 and progress reports throughout 2024/25.

### **Objective 4: The performance of the MFOs is reported to Senior Management and the Board.**

- | We reviewed the Delivery Partner reports provided to the Policy and Resources Committee dated 10 September 2024 and 28 February to assess whether performance of MFOs is reported appropriately to the SMT and Board.

# 1 Executive summary

## Conclusion

### Overall conclusion

#### Overall Conclusion: Strong

Following our review, we can conclude that the Organisation has strong controls in place over the processes and procedures in place for the confirmation of receipt of performance reports for major Gaelic development partners (MFO's). From our testing of the 12 Delivery Partner Organisations, we confirmed that staff are adhering to the procedures and processes applied by the grant's management team. We have raised several good practice points and no recommendations for improvement.

### Summary of recommendations

#### Grading of recommendations

	High	Medium	Low	Total
External Organisations (MFO's) - Performance Management	0	0	0	0

As can be seen from the above table there were no recommendations made which we have given a grading of high.

# 1 Executive summary

## Areas of good practice

**The following is a list of areas where the Organisation is operating effectively and following good practice.**

1.	The Organisation provides two reports to the Policy and Resources Committee each year which provides detailed updates on the performance of Delivery Partners. We reviewed the last two of these reports and confirmed they provided sufficient information to the Committee on the progress of Delivery Partner organisations.
2.	Each Delivery Partner has targets to achieve within the terms of the funding agreement and these are actively monitored throughout the year within progress reports. The funding agreements outline the schedule of submission deadline for the Delivery Partners' progress reports.
3.	We tested all 12 Delivery Partner Grants from 2024/25 and were able to confirm that the Organisation adhered to the processes and procedures applied by the Grant's Management Team for all 12.
4.	From our review we can confirm that the Organisation has Desktop Instructions for its Delivery Partner Funding. From our testing of the processes used, we found that the grants were reviewed, processed, and approved in line with the Desktop Instructions.
5.	The Organisation's website contains sufficient information on the 12 Delivery Partners from 2018 onwards. This includes information and links to each of the individual Delivery Partners.
6.	The Organisation use a standard template to record and assess the progress of organisations against the requirements outlined within their funding agreements, which form the basis for Committee and Board reports. These provide sufficient information on KPI targets and how each Deliver Partner organisation is progressing towards these.

## 2 Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

### External Organisations (MFO's) - Performance Management

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	0	2	2
Number of recommendations at Bòrd na Gàidhlig	0	0	0	0

From the table above it can be seen that the Organisation has a lower number of recommendations compared to those organisations it has been benchmarked against.

### 3 Audit arrangements

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit and Assurance Committee meeting.

Audit stage	Date
Fieldwork start	10 March 2025
Closing meeting	14 March 2025
Draft report issued	25 March 2025
Receipt of management responses	17 April 2025
Final report issued	23 April 2025
Audit and Assurance Committee	20 May 2025
Number of audit days	3

## 4 Key personnel

We detail below our staff who undertook the review together with the Organisation staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner	gg@wbg.co.uk
Director	Peter Clark	Director	pcc@wbg.co.uk
Manager	Scott McCready	Internal Audit Manager	smc@wbg.co.uk
Auditors:	Hannah Khan	Internal Auditor	hk@wbg.co.uk
	Rory Kemp Smith	Internal Auditor	rks@wbg.co.uk

Bòrd na Gàidhlig			
Key Contacts:	Steven Kellow	Funding & Projects Manager	stevenk@gaidhlig.scot
	Nicola Pearson	Head of Finance & Corporate Affairs	nicola@gaidhlig.scot
Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			





# A Grading structure

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance Classification	
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

# A Grading structure

For each recommendation, we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit and Assurance Committee and addressed by Senior Management of the Organisation as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the organisation as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

## Purpose of review

The purpose of this assignment is to review the processes and procedures in place for the confirmation of receipt of performance reports for major Gaelic development partners (MFOs). We will also review the procedures and processes applied by the grant's management Team.

This review forms part of the 2024/25 Internal Audit Annual Plan.

## Scope of review

Our objectives for this review are to assess if:

- | The Organisation has robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.
- | Staff members are adhering to the processes and procedures applied by the Grant's Management Team.
- | MFOs are adhering to the performance requirements set out within their grant award.
- | The performance of the MFOs is reported to Senior Management and the Board.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

## Limitation of scope

There is no limitation of scope.

## Audit approach

Our approach to the review will be:

- | Reviewing and evaluating the Organisation's processes and procedures relating to the receipt of performance MFO reports.
- | Completing a walkthrough of the process to ensure that this is robust.
- | Undertaking sample testing of MFO performance reports to ensure processes and procedures are being adhered to.
- | Reviewing MFO performance reports to ensure that they adhering to the terms of the grant and that plans have been put in place where performance targets are not being met.
- | Reviewing the reporting arrangements to Senior Management and the Board to ensure they are receiving sufficient information.

## Potential key risks

The potential key risks associated with the area under review are:

- | The Organisation does not have robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.
- | Staff members are not adhering to the processes and procedures applied by the Grant's Management Team.
- | MFOs are not adhering to the performance requirements set out within their grant award.
- | The performance of the MFOs is not being reported to Senior Management and the Board.



**Bòrd na Gàidhlig**

**Internal Audit 2024/25**

Follow Up Review

March 2025

**Overall Conclusion**

**Substantial**

# Table of Contents

Section	Page number
1. Executive Summary	4
2. Audit Arrangements	9
Appendices:	
A. Partially Implemented Recommendations	11
B. Grading Structure	15
C. Assignment Plan	17

# Disclaimer

*The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.*

*This report has been prepared solely for Bòrd na Gàidhlig's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.*

*We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.*



# 1. Executive Summary

## **Purpose of Review**

The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work provided the Audit and Assurance Committee with assurance that prior year recommendations are implemented within the expected timescales.

This review formed part of the 2024/25 Annual Internal Audit Plan.

## **Scope of Review**

Our objective for this review was to assess whether:

| Bòrd na Gàidhlig (the Organisation) has appropriately implemented any outstanding internal audit recommendations made in prior years.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

# 1. Executive Summary

## Conclusion

### Overall Conclusion: Substantial

Following our review, we can provide a substantial level of assurance that the Organisation has endeavoured to implement internal audit recommendations made in 2023/24 and earlier years. This is further highlighted as 11 of the 13 recommendations have been fully implemented while the remaining two have been partially implemented. Please see **Appendix A: Partially Implemented Recommendations** for further information.

## Summary of Recommendations

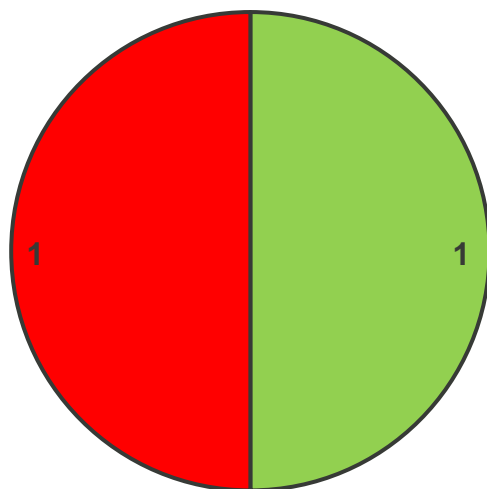
Grading of Recommendations	High	Medium	Low	Total
Appendix A – Partially Implemented Recommendations	1	-	1	2
Fully Implemented Recommendations	1	5	5	11

We have not included fully implemented recommendations as an appendix, however details of these recommendations are available upon request.

# 1. Executive Summary

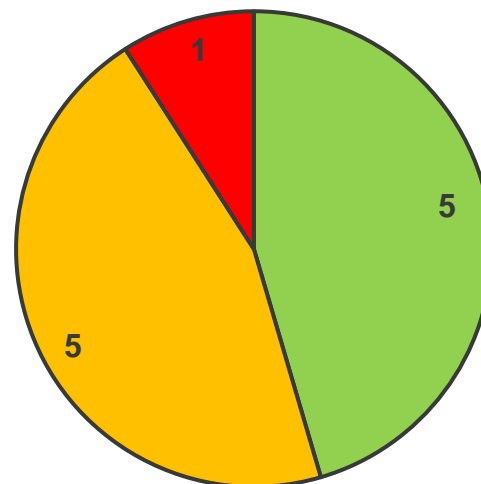
## Summary of Recommendations by Grade

Partially Implemented



Low Medium High

Fully Implemented



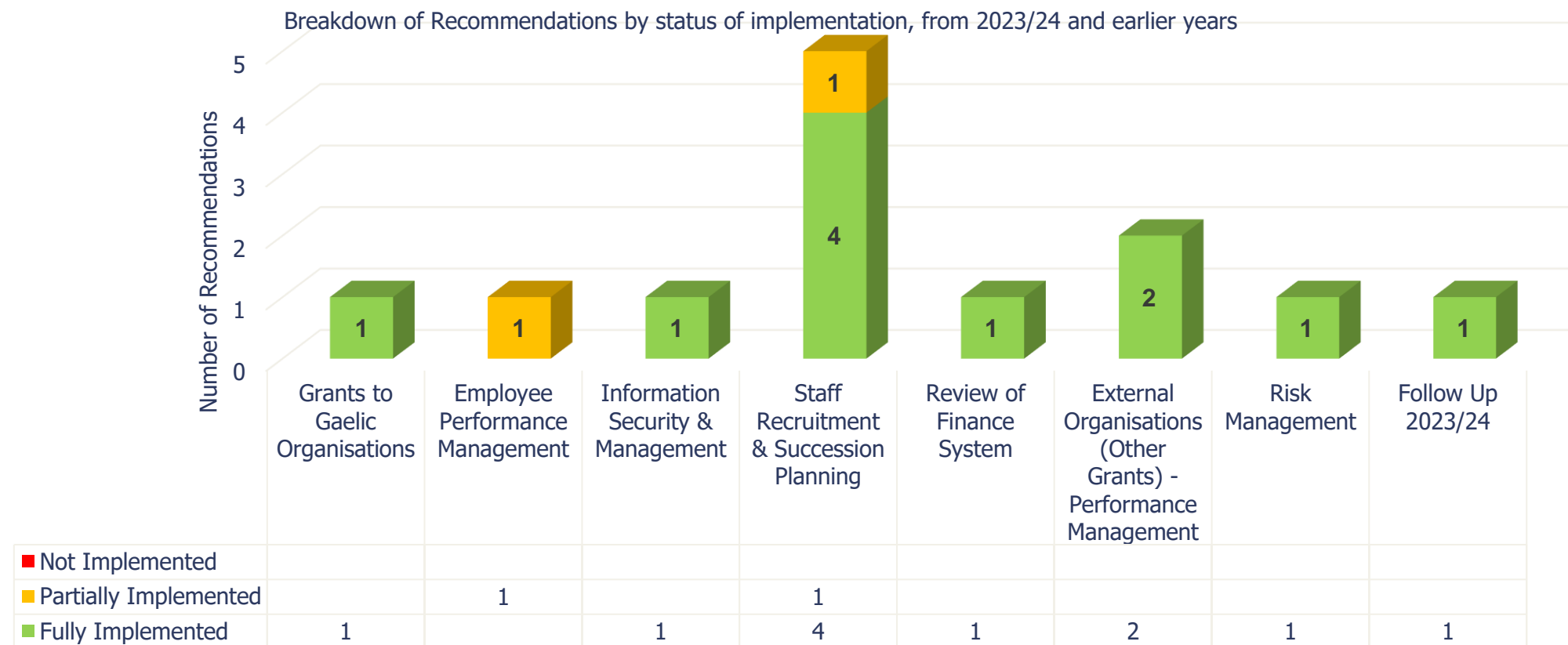
Low Medium High

# 1. Executive Summary

## Implementation of Recommendations – Summary of Implementation

Audit Area	Total	Partially Implemented	Fully Implemented
Grants to Gaelic Organisations	1	-	1
Employee Performance Management	1	1	-
Information Security & Management	1	-	1
Staff Recruitment & Succession Planning	5	1	4
Review of Finance System	1	-	1
External Organisations (Other Grants) – Performance Management	2	-	2
Risk Management	1	-	1
Follow Up 2023/24	1	-	1
<b>Total</b>	<b>13</b>	<b>2</b>	<b>11</b>
<b>Percentage of Total</b>	<b>100%</b>	<b>15%</b>	<b>85%</b>

# 1. Executive Summary



## 2. Audit Arrangements

The table below details the dates of our fieldwork and the reporting of the audit area under review.

Audit Stage	Date
Fieldwork start	10 March 2025
Closing meeting	17 March 2025
Draft report issued	25 March 2025
Receipt of management responses	17 April 2025
Final report issued	23 April 2025
Audit and Assurance Committee	20 May 2025
No of audit days	2

## 2. Audit Arrangements

We detail below our staff who undertook the review together with the Organisation staff we spoke to during our review.

Wbg			
Partner	Graham Gillespie	Partner of Internal Audit	gg@wbg.co.uk
Director	Peter Clark	Director	pcc@wbg.co.uk
Manager	Scott McCready	Internal Audit Manager	smc@wbg.co.uk
Auditors:	Hannah Khan	Internal Auditor	hk@wbg.co.uk
	Rory Kemp Smith	Internal Auditor	rks@wbg.co.uk

Bòrd na Gàidhlig			
Key Contact	Nicola Pearson	Head of Finance & Corporate Affairs	nicola@gaidhlig.scot

Wbg appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.

# Appendix A

## Partially Implemented Recommendations



# A. Partially Implemented Recommendations



## Pre-employment Checks, Staff Recruitment & Succession Planning, December 2023

### Original Finding

It is an employer's responsibility to ensure that appropriate pre-employment checks are carried out for new employees, including the provision of an appropriate form of identification and right to work where appropriate. Reliance should not be made solely on third parties, such as Disclosure Scotland. Our testing of a sample of seven out of thirteen starters in 2022 and 2023 showed the following:

#### References

- 4 out of 7 employees had evidence of two references;
- 1 employee had 2 references with no name of the people giving the reference. The references were typed without a letterhead, and no evidence of e-mail requests for references;
- 3 employees had only evidence of 1 reference.

#### Disclosure Scotland Certification

- 4 out of 7 employees had proof of Disclosure Scotland certificate, 2 of which were not included in the Disclosure dashboard;
- 3 employees were included in the DBS dashboard as proof that DBS was completed;

#### Right to Work - Passports/Other Form of Identification

- 4 out of 7 employees had passport evidence;
- 1 employee only had a birth register showing a year of birth and their maiden name;
- 1 employee had a passport with a different surname to their registered name;
- 1 employee had no form of Identification.

In addition to the findings above, we found an instance where an employee was registered on the payroll as having a different surname to the surname shown on their identifying documentation.

# A. Partially Implemented Recommendations



## Pre-employment Checks, Staff Recruitment & Succession Planning, December 2023

Therefore, we concluded the following:

- The Organisation seems to be relying on Disclosure Scotland for employees' proof of identification and right to work, as not all employees had evidence of those on file.
- Some employees were omitted from the Organisation's Disclosure Scotland dashboard, which aim is to record details of every new starter's Disclosure Scotland certificate.
- Such examples can lead to fraud and misrepresentation going undetected, which, if an inappropriate person is recruited, may lead to reputational and/or financial damage to the Organisation.

### Original Recommendation

We recommend that appropriate forms of ID are evidenced for all new starters and a record of all checks is maintained. This should include sight of all Disclosure Scotland certificates.

Ref	Finding from our 2024/25 Follow Up	Grade	Recommendation
1.	The Organisation has not had any new starts since this recommendation was made and so we were unable to evidence its implementation during this review.	High	We reiterate our original recommendation.
Management Response		Responsibility and Implementation Date	
This is an integral part of the on boarding of new starts and will evidence this with the next new start.		<i>Responsible Officer: Nicola Pearson, Head of Finance and Corporate Affairs</i> <i>Implementation date: as soon as practicable</i>	

# A. Partially Implemented Recommendations



## PDP/POP Monitoring Reports, Employee Performance Management, October 2023

### Original Finding

Regular reporting ensures that the Senior Management Team and the Operations Manager are appropriately monitoring assessments on employee performance.

During our review, we were advised that the Operations Manager formally reported on the number of POPs/PDPs which have been uploaded to the People HR system on a quarterly basis to the Senior Management Team. The Operations Manager would then notify any line managers who did not appear to be recording the POPs/PDPs on People HR.

Given that reports are no longer provided to the Senior Management Team, it is possible that the Organisation are not appropriately monitoring assessments on employee performance. This can result in poor performance going undetected.

### Original Recommendation

We recommend that the Senior Management Team are presented with quarterly reports detailing how many POPs/PDPs have been uploaded to the People HR system and demonstrating the level of compliance.

Ref	Finding from our 2024/25 Follow Up	Grade	Recommendation
2.	Reports on POPs and PDPs have been prepared and submitted annually, however, the Organisation are yet to present them quarterly.	Low	We recommend that the Organisation begins reporting on POPs and PDPs to the Senior Management team on a quarterly basis, in line with the original recommendation.
Management Response		Responsibility and Implementation Date	
This will be reported on quarterly from the next financial year.		Responsible Officer: Karen Smith, Operations Manager Implementation date: 01.04.2025	

# Appendix B

## Grading Structure

# C. Grading Structure

For each area of review, we assign a grading in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Risk	Classification
High	High Risk	Major weakness that we consider needs to be brought to the attention of the Audit and Assurance Committee and addressed by Senior Management of the Organisation as a matter of urgency
Medium	Medium Risk	Significant issue or weakness which should be addressed by the Organisation as soon as possible
Low	Low Risk	Minor issue or weakness reported where management may wish to consider our recommendation

# Appendix C

## Assignment Plan

# D. Assignment Plan

## **Purpose of Review**

The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work provides the Audit and Assurance Committee with assurance that prior year recommendations are implemented within the expected timescales.

This review forms part of the 2024/25 Annual Internal Audit Plan.

## **Scope of Review**

Our objective for this review is to assess whether:

- | The Organisation has appropriately implemented any outstanding internal audit recommendations made in prior years.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

## **Audit Approach**

Our approach to the review will be:

- | Review outstanding recommendations and gain audit evidence to ensure that these have been addressed by the Organisation.

## **Potential Key Risk**

The potential key risk associated with the area under review is:

- | The Organisation does not address the areas of concern which may significantly affect its ability to continue to operate.

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Annual Internal Audit Report
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	2.2
<b>Spokesperson:</b>	Scott McCready, Wbg
<b>Appendices:</b>	PT1 Internal Audit Annual Report 2024/25

## 1. Purpose

- 1.1. The paper presents the proposed annual internal audit report, which provides an overview of the audits undertaken by Wylie & Bisset during 2024/25.
- 1.2. This was the third year of a three year contract with Wylie & Bisset.
- 1.3. The paper is in English as report has been prepared by the Internal Auditors.

## 2. Background/Main points

- 2.1. The Internal Audit fieldwork was carried out between September 2024 and March 2025
- 2.2. Eight reports were produced in total, seven of which were rated as strong - highest ranking - and one rated as substantial.
- 2.3. In conclusion, Wylie Bisset noted:

*“We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the Organisation's risk management, control and governance processes.*

*In our opinion, Bòrd na Gàidhlig did have adequate and effective risk management, control and governance processes to manage its achievement of the Organisation's objectives at the time of our audit work. In our opinion, the Organisation has proper arrangements to promote and secure value for money.”*

## 3. Recommendation

- 3.1. The Committee are requested to approve the report presented.

## 4. Main Strategic Impacts

- 4.1. Impact on Finance: Internal audit fees are included in the budget.
- 4.2. Impact on Staff: N/A
- 4.3. Impact on Training: N/A
- 4.4. Link Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: It is important the Bòrd na Gàidhlig continues to demonstrate improvement and internal audit reviews contribute to this.
- 4.6. Impacts on Health and Safety: N/A



4.7. Legal Impacts: N/A

4.8. Impacts on Equality: N/A

4.9. Impacts on the Environment: N/A

**5. Links to the National Performance Framework**

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

**6. Governance Route**

N/A

**7. Confirmation of Circulation of Document**

7.1. This is an open paper.



# Bòrd na Gàidhlig

Internal Audit 2024/25

Annual Report

April 2025

# Table of Contents

Section	Page number
1. Introduction	3
2. Executive Summary	4
3. Audit Findings	6
4. Benchmarking	11
5. Key Performance Indicators	15
Appendices:	
A. Grading Structure	16

# 1. Introduction

The prime responsibility of the Internal Audit Service (IAS) is to provide Bòrd na Gàidhlig's (the Organisation) Audit and Assurance Committee, the Chief Executive Officer and other Senior Management at the Organisation, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

We conduct our activity within the overarching framework of the Institute of Internal Auditors, Definition of Internal Auditing, Code of Ethics and International Standards for the Professional Practice of Internal Auditing, together with the UK Public Sector Internal Audit Standards, first introduced in April 2013.

In line with these Standards, we have developed a robust quality assurance process to ensure that each of our activities and reports are of a high and consistent standard. Quality assurance activity includes interim reviews during the internal audit process and an extensive final review before reports are issued to clients and other stakeholders. We actively seek to improve the services we deliver through a programme of CPD, training, networking and engagement with internal peers, as well as by piloting new ways of working.

We had an extensive external assessment undertaken against these standards in November 2023. The assessment was undertaken by the Chartered Institute of Internal Auditors who concluded:

"We are pleased to report that the Wbg Services LLP (formerly Wylie and Bisset LLP) Internal Audit Department conforms with the Standards, as well as the Definition of Internal Auditing, Core Principles and the Code of Ethics, which form the mandatory elements of the Public Sector Internal Audit Standards (PSIAS) and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard of quality in Internal Auditing".

The Chartered Institute of Internal Auditors also highlighted our compliance with all 64 standards of the IPPF.

This Annual Report should be considered by the Audit and Assurance Committee prior to the Committee submitting their annual report to the Board.

## 2. Executive Summary

### Overall Opinion

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the Organisation's risk management, control and governance processes.

In our opinion, the Organisation did have adequate and effective risk management, control and governance processes to manage its achievement of the Organisation's objectives at the time of our audit work. In our opinion, the Organisation has proper arrangements to promote and secure value for money.

Our fieldwork was carried out between September 2024 and March 2025, and we have not undertaken any further internal audit assignments at the time of this report.

The overall findings and conclusion of each report are highlighted in Section 3. As can be seen from the summary in Section 3 all of the areas included in the Operational Plan for 2024/25 have been completed.

In forming our opinion, we have carried out the following work:

- | A review and appraisal of financial and other controls operated by the Organisation;
- | A review of the established policies and procedures adopted by the Organisation;
- | An assessment of whether or not the internal controls are reliable as a basis for producing the financial accounts;
- | A review of accounting and other information provided to management for decision making;
- | Compliance and substantive audit testing where appropriate; and
- | A review of the Organisation's procedures in place to promote and secure value for money.

The analysis of performance indicators for the internal audit work carried out in the year is included at Section 5.

## 2. Executive Summary (continued)

### Basis of Opinion

As the Head of Internal Audit at the Organisation we are required to provide the Audit and Assurance Committee with an opinion on the adequacy and effectiveness of the Organisation's risk management, control and governance processes.

In giving our opinion, it should be noted that assurance can never be absolute. The most that we can provide to the Audit and Assurance Committee is reasonable assurance that there are no major weaknesses in the Organisation's risk management, control and governance processes.

In assessing the level of assurance given, we have considered:

- | All audits undertaken during the year ended 31 March 2025;
- | Any follow-up action taken in respect of audits from previous periods;
- | Any significant recommendations not accepted by management and the consequent risks;
- | The effects of any significant changes in the Organisation's objectives or systems;
- | Matters arising from previous reports to the Audit and Assurance Committee;
- | Any limitations which may have been placed on the scope of internal audit;
- | The extent to which resource constraints may impinge on the Head of Internal Audit's ability to meet the full audit needs of the Organisation;
- | What proportion of the Organisation's audit need has been covered to date; and
- | The outcomes of our quality assurance processes.

# 3. Audit Findings

## Summary of Work Undertaken

The following table summarises the audit work undertaken in 2024/25. The grading structure used in our reports can be found in Appendix A.

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
Grants to Gaelic Organisation	2	2	Completed	Strong	-	-	-
Review of new Funding Model to MFO	3	3	Completed	Strong	-	-	-
Procurement	4	4	Completed	Strong	-	-	5
Absence Management	4	4	Completed	Strong	-	-	-
Governance and Risk Management	5	5	Completed	Strong	-	-	2
Payroll and Expenses	4	4	Completed	Strong	-	-	3
External Organisation's (MFO's) Performance Management	3	3	Completed	Strong	-	-	-
<b>Carried Forward</b>	<b>25</b>	<b>25</b>	-	-	-	-	<b>10</b>

# 3. Audit Findings

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
<b>Brought Forward</b>	<b>25</b>	<b>25</b>	<b>N/A</b>	<b>N/A</b>	-	-	<b>10</b>
Follow Up Review	2	2	Completed	<b>Substantial</b>	1*	-	1*
Audit Management	3	3	N/A	<b>N/A</b>	N/A	N/A	N/A
<b>Total</b>	<b>30</b>	<b>30</b>	-	-	<b>1</b>	-	<b>11</b>

\*We note that both follow up points are partially implemented.



# 3. Audit Findings

## HIGH PRIORTIY RECOMMENDATIONS

The following high priority recommendation was raised during the year.

Area	Finding
<b>Pre-employment Checks, Staff Recruitment &amp; Succession Planning, Follow up Review, March 2025</b>	<p><b>Original Finding</b></p> <p>It is an employer's responsibility to ensure that appropriate pre-employment checks are carried out for new employees, including the provision of an appropriate form of identification and right to work where appropriate. Reliance should not be made solely on third parties, such as Disclosure Scotland. Our testing of a sample of seven out of thirteen starters in 2022 and 2023 showed the following:</p> <p><u>References</u></p> <ul style="list-style-type: none"><li>• 4 out of 7 employees had evidence of two references;</li><li>• 1 employee had 2 references with no name of the people giving the reference. The references were typed without a letterhead, and no evidence of e-mail requests for references;</li><li>• 3 employees had only evidence of 1 reference.</li></ul> <p><u>Disclosure Scotland Certification</u></p> <ul style="list-style-type: none"><li>• 4 out of 7 employees had proof of Disclosure Scotland certificate, 2 of which were not included in the Disclosure dashboard;</li><li>• 3 employees were included in the DBS dashboard as proof that DBS was completed;</li></ul> <p><u>Right to Work - Passports/Other Form of Identification</u></p> <ul style="list-style-type: none"><li>• 4 out of 7 employees had passport evidence;</li><li>• 1 employee only had a birth register showing a year of birth and their maiden name;</li><li>• 1 employee had a passport with a different surname to their registered name;</li><li>• 1 employee had no form of Identification.</li></ul>

### 3. Audit Findings






Area	Finding
<b>Pre-employment Checks, Staff Recruitment &amp; Succession Planning, Follow up Review, March 2025</b>	<p>In addition to the findings above, we found an instance where an employee was registered on the payroll as having a different surname to the surname shown on their identifying documentation.</p> <p>Therefore, we concluded the following:</p> <ul style="list-style-type: none"><li>• The Organisation seems to be relying on Disclosure Scotland for employees' proof of identification and right to work, as not all employees had evidence of those on file.</li><li>• Some employees were omitted from the Organisation's Disclosure Scotland dashboard, which aim is to record details of every new starter's Disclosure Scotland certificate.</li><li>• Such examples can lead to fraud and misrepresentation going undetected, which, if an inappropriate person is recruited, may lead to reputational and/or financial damage to the Organisation.</li></ul> <p><b>Original Recommendation</b> We recommend that appropriate forms of ID are evidenced for all new starters and a record of all checks is maintained. This should include sight of all Disclosure Scotland certificates.</p> <p><b>Finding from our 2024/25 Follow Up</b> The Organisation has not had any new starts since this recommendation was made and so we were unable to evidence its implementation during this review.</p>

### 3. Audit Findings





Area	Recommendation	Management Response
<b>Pre-employment Checks, Staff Recruitment &amp; Succession Planning, Follow up Review, March 2025</b>	We reiterate our original recommendation.	<p>This is an integral part of the on boarding of new starts and will evidence this with the next new start.</p> <p><i>Responsible Officer:</i> Nicola Pearson, Head of Finance and Corporate Affairs</p> <p><i>Implementation Date:</i> as soon as practicable</p>

## 4. Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the previous financial year.

Area	High	Medium	Low	Total	
<b>Grants to Garlic Organisations</b>					
Average number of recommendations in similar audits	-	-	2	2	
Recommendations at Bord Na Gaidhlig	-	-	-	-	
<b>Procurement</b>					
Average number of recommendations in similar audits	-	2	2	4	
Recommendations at Bord Na Gaidhlig	-	-	5	5	
<b>Absence Management</b>					
Average number of recommendations in similar audits	-	1	1	2	
Recommendations at Bord Na Gaidhlig	-	-	-	-	
<b>Governance and Risk Management</b>					
Average number of recommendations in similar audits	-	1	2	3	
Recommendations at Bord Na Gaidhlig	-	-	2	2	
<b>Total c/f</b>					
<b>Average number of recommendations in similar audits c/f</b>	-	4	7	11	
<b>Recommendations at Bord Na Gaidhlig c/f</b>	-	-	7	7	




## 4. Benchmarking

Area	High	Medium	Low	Total	
<b>Total b/f</b>					
<b>Average number of recommendations in similar audits b/f</b>	-	4	7	11	
<b>Recommendations at Bord Na Gaidhlig b/f</b>	-	-	7	7	
<b>Payroll and Expenses</b>					
Average number of recommendations in similar audits	-	1	2	3	
Recommendations at Bord Na Gaidhlig	-	-	3	3	
<b>External Organisations (MFO's) Performance Management</b>					
Average number of recommendations in similar audits	-	-	2	2	
Recommendations at Bord Na Gaidhlig	-	-	-	-	
<b>Total</b>					
<b>Average number of recommendations in similar audits</b>	-	5	11	16	
<b>Recommendations at Bord Na Gaidhlig</b>	-	-	10	10	

As highlighted above, the Organisation has a lower number of recommendations in comparison with the organisations it has been benchmarked against. Due to the nature of the Review of New Funding Model to Delivery Partners audit no benchmarking was undertaken.

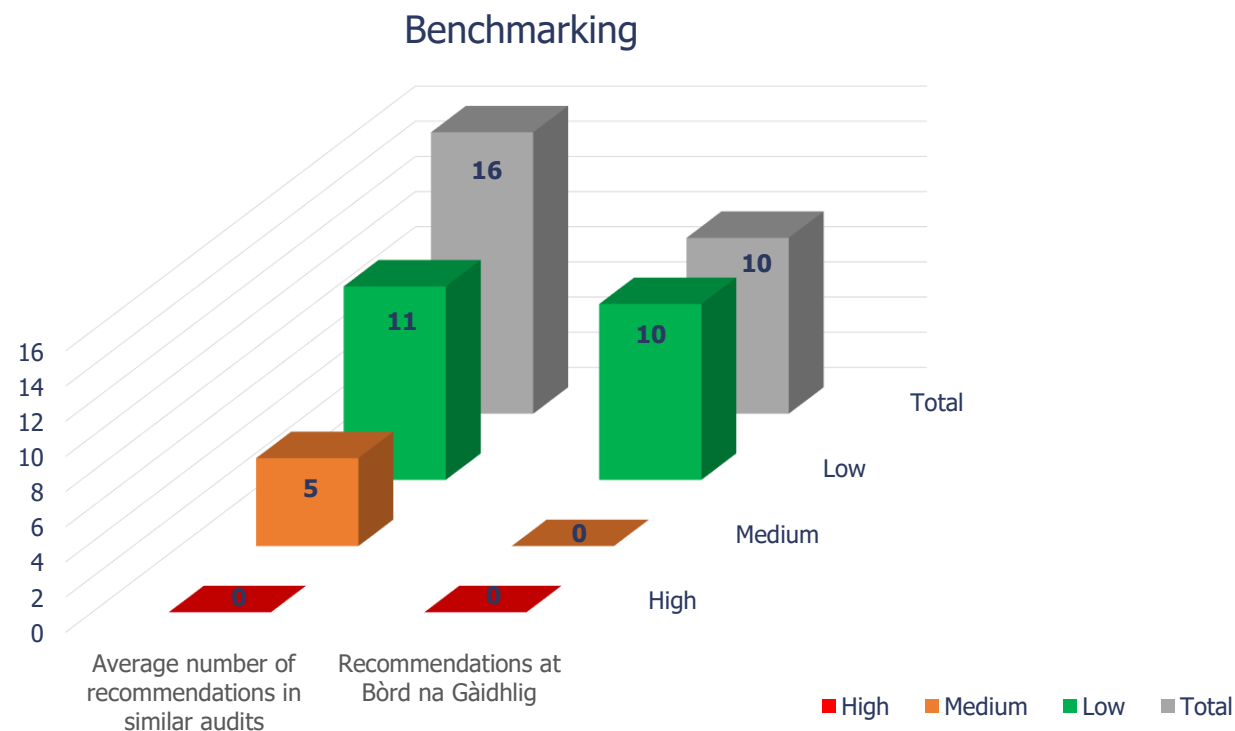
## 4. Benchmarking (continued)

For each review, we benchmark the number and ranking of recommendations made for audits of a similar nature in the previous financial year. Please refer to the key below for an explanation of the benchmarking symbols used:

Key	
	Indicates a lower number of recommendations in comparison with the organisations it has been benchmarked against.
	Indicates a similar number of recommendations in comparison with the organisations it has been benchmarked against.
	Indicates a higher number of recommendations in comparison with the organisations it has been benchmarked against.

## 4. Benchmarking (continued)

We have set out below in graphical format an analysis of the Benchmarking totals by grade of recommendation made.



As highlighted above, the Organisation has a lower number of recommendations in comparison with the organisations it has been benchmarked against.

# 5. Key Performance Indicators

Performance Indicator	Target	Actual
Internal audit days completed in line with agreed timetable and days allocation	100%	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%	100%
Draft reports issued within 10 working days of exit meeting	100%	76%*
Management provide responses to draft reports within 15 working days of receipt of draft reports	100%	25%**
Final reports issued within 5 working days of receipt of management responses	100%	100%
Recommendations accepted by management	100%	100%
Draft annual internal audit report to be provided by 30 April each year	100%	100%
Attendance at Audit and Assurance Committee meetings by a senior member of staff	100%	100%
Suitably experienced staff used on all assignments	100%	100%

\*Draft reports for the Grants to Gaelic Organisations and the Review of the New Funding Model to Delivery Partners were delayed due to further queries by Wbg.

\*\*Management responses were received for 6 reports outwith 15 working days.



# Appendix A

## Grading Structure

# A. Grading Structure

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation, we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Assurance	Risk	Classification
High	High risk	Major weakness that we consider needs to be brought to the attention of the Audit and Assurance Committee and addressed by Senior Management of the Organisation as a matter of urgency
Medium	Medium risk	Significant issue or weakness which should be addressed by the Organisation as soon as possible
Low	Low risk	Minor issue or weakness reported where management may wish to consider our recommendation

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Internal Audit Plan 2025/26
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	2.3
<b>Spokesperson:</b>	Scott McCready
<b>Appendices:</b>	PT1 Audit Plan 2025/26

## 1. Purpose

- 1.1. The paper presents the proposed annual internal audit plan to be undertaken during 2025/26.
- 1.2. The paper is in English as report has been prepared by the Internal Auditors.

## 2. Background/Main points

- 2.1. The prime responsibility of the Internal Audit Service (IAS) is to provide the Audit & Assurance Committee, Ceannard and other senior management of the organisation, with an objective assessment of the adequacy and effectiveness of management's internal control systems.
- 2.2. Below is a summary of the Internal Audit input proposed for 2025/26:

Visit	Audit Area	No. of Days
1.September	Budgetary & Financial Reporting	4
	Cyber Security	5
2.November	Grants to Gaelic Organisations	2
	Employee Performance Management	4
	Strategic Planning	5
3.March	External Organisations Performance Management	3
	Risk Management	2
	Follow Up	2

## 3. Recommendation

- 3.1. The Committee are requested to discuss and approve the proposed plan.

## 4. Main Strategic Impacts

- 4.1. Impact on Finance: Internal audit fees are included in the budget.
- 4.2. Impact on Staff: N/A
- 4.3. Impact on Training: N/A

- 4.4. Link Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: It is important the Bòrd na Gàidhlig continues to demonstrate improvement and internal audit reviews contribute to this.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: N/A
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

## 5. Links to the National Performance Framework

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses <input checked="" type="checkbox"/>			

## 6. Governance Route

N/A

## 7. Confirmation of Circulation of Document

- 7.1. This is an open paper.



# Bord Na Gaidhlig

Internal Audit Plan 2025/26

May 2025

# Table of Contents

Section	Page number
Introduction	3
Operational Plan 2025/26	4
Appendices:	
A. Summary of Internal Audit Input	16
B. Grading Structure	18
C. Key Performance Indicators	19
D. Training Topics	20
E. Audit Universe	21

# Introduction

## Background

Wbg Services LLP (Wbg) were appointed as Internal Auditors by the Audit & Assurance Committee with effect from 1 April 2022 for a period of 3 years until 31 March 2025. The contract was extended by the Audit & Assurance Committee for a further 2 years to 31 March 2027.

## Internal Audit

The prime responsibility of the Internal Audit Service (IAS) is to provide the Board, via the Audit & Assurance Committee, the Chief Executive and other Senior Management of the Organisation with an objective assessment of the adequacy and effectiveness of management's internal control systems.

The IAS objectively examines, evaluates and reports on the adequacy of internal control thus contributing to the economic, efficient and effective use of resources and to the reduction of the potential risks faced by the Organisation.

Also, the operation and conduct of the IAS must comply with the guidelines set down by the Institute of Internal Auditors and the Public Sector Internal Audit Standards .

## Terms of Reference – Internal Audit

The provision of the IAS by Wbg is covered by the letter of engagement dated 16 May 2025.

## Preparation of Audit Plan

This Plan was developed following discussions with the Chair of the Audit & Performance Committee and the Head of Finance & Corporate Affairs.

## Formal Approval

The original Audit Needs Assessment ("ANA") was presented to the Audit & Assurance Committee of the Organisation on 24 May 2022 for approval. This Plan covers the plan for 2025/26 and will be presented to the Audit & Assurance Committee on 20 May 2025 for approval.

# Operational Plan

2025/26



# Grants to Gaelic Organisations

Audit area	High level indicative summary scope	Total number of days
Grants to Gaelic Organisations	<p>The purpose of this assignment is to review the processes and procedures in place for the approval of grants and the release of instalments. We will undertake testing of the grants released to assess that the Organisation's procedures are being adhered to.</p> <p>Our objectives for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  The Organisation has robust processes and procedures in place for the approval of grants and the release of instalments.</li><li>  The Organisation are adhering to the processes and procedures relating to the approval of grants and the release of instalments.</li><li>  The Organisation are providing sufficient information to Senior Management and the Board regarding grants being made.</li></ul>	2

# ~~External Organisations (MFOs) - Performance Management~~



Audit area	High level indicative summary scope	Total number of days
External Organisations (MFOs) - Performance Management	<p>The purpose of this assignment is to review the processes and procedures in place for the confirmation of receipt of performance reports for major Gaelic development partners (MFOs). We will also review the procedures and processes applied by the grant's management Team.</p> <p>Our objectives for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  The Organisation has robust processes and procedures in place for the confirmation of receipt of performance reports from MFOs.</li><li>  Staff members are adhering to the processes and procedures applied by the Grant's Management Team.</li><li>  MFOs are adhering to the performance requirements set out within their grant award.</li><li>  The performance of the MFOs is reported to Senior Management and the Board.</li></ul>	3

# Employee Performance Management

Audit area	High level indicative summary scope	Total number of days
Employee Performance Management	<p>The purpose of this assignment is to review the process in place for assessing employee performance management. This will include a review of the new system implemented by the Organisation and a review of the procedures for recording and assessing employee's performance.</p> <p>Our objectives for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  The Organisation has robust processes and procedures in place for assessing employee performance management.</li><li>  Employee performance appraisals are completed in line with the Organisations procedures and completed to agreed timescales, with outcomes being actioned and monitored.</li><li>  The Organisation has appropriately adapted its employee performance management arrangements to accommodate any hybrid working.</li><li>  Unsatisfactory performance is managed appropriately and in line with policy.</li></ul>	4

# Budgetary & Financial Reporting

Audit area	High level indicative summary scope	Total number of days
Budgetary & Financial Reporting	<p>The purpose of this assignment is to review the Organisation's budgeting, monitoring and reporting. Our review will seek to provide assurance to the Audit &amp; Assurance Committee that there is an effective budget setting process in place and that action is taken when adverse variances arise. Our review will also consider the financial reporting arrangements in place and whether the level of reporting is sufficient for decision making purposes.</p> <p>Our objectives for this review are to assess whether:</p> <ul style="list-style-type: none"> <li>  The Board/Senior Management receive sufficient reporting of performance against budget and against plans throughout the year to enable informed decision making.</li> <li>  The budget setting process is effectively linked to the operational planning process.</li> <li>  Budget holders are adequately trained and receive information regarding their budgets in a timely manner.</li> <li>  The Organisation has a set of comprehensive Financial Regulations to assess that financial matters are managed professionally.</li> <li>  Deviations from budget are identified and investigated at an early stage.</li> <li>  There is appropriate control of the budgetary process within the Organisation, with an appropriate member of management having ultimate responsibility for the process.</li> </ul>	4

# Cyber Security

Audit area	High level indicative summary scope	Total number of days
Cyber Security	<p>We will undertake a review of the cyber security arrangements in place at the Organisation to assess whether there are appropriate controls in place to mitigate the loss of business-critical information due to a cyber-attack or failure of key systems/suppliers. We will test these arrangements against the National Cyber Security Centre's (NCSC) 10 steps to Cyber Security guidance.</p> <p>Our objectives for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  There is an appropriate risk-based approach to securing data and systems which has been adopted.</li><li>  There is appropriate cyber-awareness training for Organisation staff that has been mandated.</li><li>  The architecture and configuration of key Organisation systems is easily maintained and updated to adapt effectively to emerging cyber threats.</li><li>  There are appropriate solutions in place to control access to the Organisation's information systems.</li><li>  There are appropriate solutions in place to protect Organisation data from unauthorised access, modification, and deletion.</li><li>  The Organisation systems are appropriately patched to minimise the risk of vulnerabilities being successfully exploited in an attack.</li><li>  There are appropriate processes and procedures in place to respond to security incidents that will help prevent further damage.</li><li>  There are appropriate processes in place for vetting suppliers and assessing the adequacy of their cyber security controls.</li><li>  There is an appropriate understanding of all assets that are part of the Organisation's IT network and environment.</li><li>  The Organisation systems are appropriately monitored with information logged and actively analysed.</li></ul>	5

# Strategic Planning

Audit area	High level indicative summary scope	Total number of days
Strategic Planning	<p>We will undertake a review of the strategic planning arrangements in place. We will look to assess whether the Board were fully involved in the development of the Strategic Plan. We will also review the methods in place to monitor the progress of the Strategic Plan and the reporting arrangements in place to assess that the Board receive regular updates.</p> <p>Our objectives for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  The Organisation has robust planning processes in place to develop the Strategic Plan.</li><li>  The Organisation regularly reviews and monitors the Strategic Plan and takes necessary action when objectives are not being met.</li><li>  The Board were fully involved in the development of the Strategic Plan and receive regular updates on the progress of the Plan.</li><li>  There is alignment between performance measures, operational plans and the Strategic Plan.</li></ul>	5

# Risk Management

Audit area	High level indicative summary scope	Total number of days
Risk Management	<p>The purpose of this assignment is to review the risk management arrangements in place at the Organisation. Our review will focus on the new risk management reporting arrangements in place at the Organisation.</p> <p>Our objectives for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  The Organisation has set out clearly its strategic direction in relation to risk management (including policy, roles and responsibilities, objectives and communications).</li><li>  The Organisation has adopted a systematic process in identifying, evaluating and measuring its strategic and operational risks.</li><li>  The Organisation's new risk management reporting framework meets the needs of the Organisation.</li></ul>	2

# Follow Up

Audit area	High level indicative summary scope	Total number of days
Follow Up	<p>The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work will provide the Audit &amp; Assurance Committee with assurance that prior year recommendations are implemented within the expected timescales.</p> <p>Our objective for this review will be to assess whether:</p> <ul style="list-style-type: none"><li>  The Organisation has appropriately implemented any outstanding internal audit recommendations made in prior years</li></ul>	2



# Assignment Plans & Dates

## Assignment Plans

A detailed assignment plan will be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work. Each assignment plan will be agreed and signed off by an appropriate sponsor from the Organisation.

## Key Dates

Visit	Name	No. of audit days	Key Organisation personnel	Provisional start date for visit	Provisional date of issue of draft report	Provisional date for reporting to Audit & Assurance Committee
1	Budgetary & Financial Reporting	4	Head of Finance and Corporate Affairs	1 September 2025	19 September 2025	November 2026
2	Cyber Security	5	Head of Finance and Corporate Affairs	8 September 2025	26 September 2025	
2	Grants to Gaelic Organisations	2	Funding & Projects Manager	10 November 2025	28 November 2025	February 2026
	Employee Performance Management	4	Head of Finance and Corporate Affairs			
	Strategic Planning	5	Head of Finance and Corporate Affairs			

# Assignment Plans & Dates



## Key Dates

Visit	Name	No. of audit days	Key Organisation personnel	Provisional start date for visit	Provisional date of issue of draft report	Provisional date for reporting to Audit & Assurance Committee
3	External Organisations (MFOs) - Performance Management	3	Funding & Projects Manager	9 March 2026	27 March 2026	May 2026
	Risk Management	2	Head of Finance and Corporate Affairs			
	Follow Up	2	Head of Finance and Corporate Affairs			

# Appendices

**A – Summary of Internal Audit Input**

**B - Grading Structure**

**C – Key Performance Indicators**

**D – Training Topics**

**E – Audit Universe**

# A – Summary of Internal Audit Input

1 April 2022 to 31 March 2026		Operating Plan (No. Of days)				
System	Audit Area	2022/23	2023/24	2024/25	2025/26	2025/26
Financial Systems	Review of New Finance Systems	4				
	Budgetary & Financial Reporting	4			4	
	Purchase Order System Review		4			
	Income & Debtors		4			
	Procurement			4		
	Payroll & Expenses			4		
	Review of new Funding Model for MFO's			3		
Non-Financial Systems	Grants Gaelic Organisations	2	2	2	2	2
	Performance Management	3				
	External Organisations (MFOs) – Performance Management	3	3	3	3	3
	Employee Performance Management		3		4	
	Staff Recruitment & Succession Planning		4			
	Absence Management			4		
	<b>Total Days c/f</b>	<b>16</b>	<b>20</b>	<b>20</b>	<b>13</b>	<b>5</b>

# A – Summary of Internal Audit Input



1 April 2022 to 31 March 2026		Operating Plan (No. Of days)				
System	Audit Area	2022/23	2023/24	2024/25	2025/26	2026/27
	<b>Total Days b/f</b>	<b>16</b>	<b>20</b>	<b>20</b>	<b>13</b>	<b>5</b>
<b>IT Systems</b>	Information Security & Management		3			
	Cyber Security	4			5	
<b>Governance</b>	Corporate Governance	3				
	Governance and Risk Management			5		
	Strategic Planning				5	
	Risk Management	2	2		2	2
<b>Areas TBC</b>	Audit Areas TBS					18
<b>Mandatory</b>	Follow up review	2	2	2	2	2
	Audit Management	3	3	3	3	3
	<b>Total</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>

# B – Grading Structure

For each area of review, we assign a grading in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Risk	Classification
High	High Risk	Major weakness that we consider needs to be brought to the attention of the Audit & Assurance Committee and addressed by Senior Management of the Organisation as a matter of urgency
Medium	Medium Risk	Significant issue or weakness which should be addressed by the Organisation as soon as possible
Low	Low Risk	Minor issue or weakness reported where management may wish to consider our recommendation

# C – Key Performance Indicators

For each area of review, we assign a grading in accordance with the following classification:

Performance Indicator	Target
Internal audit days completed in line with agreed timetable and days allocation	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%
Draft reports issued within 10 working days of exit meeting	100%
Management provide responses to draft reports within 15 working days of receipt of draft reports	100%
Final reports issued within 5 working days of receipt of management responses	100%
Recommendations accepted by management	100%
Draft annual internal audit report to be provided by 30 April each year	100%
Attendance at Audit & Assurance Committee meetings by a senior member of staff	100%
Suitably experienced staff used on all assignments	100%

## D – Training Topics

As a firm we offer a wide range of training topics to our clients and we have listed below some of the topics which we would be able to offer Bord Na Gaidhlig.

Topic	Summary
Risk Management	This can cover risk awareness, assessment of risks, responsibilities for monitoring risks, risk appetite and the scoring of risks. This is usually done as a workshop to ensure buy-in from management and committee members to the risk management process.
Role of the Board	This would cover the roles and responsibilities of Board members, including the Chair. This has been particularly useful when new Board members have been appointed and allows members to obtain some knowledge on what the expectation of a Board member is and what they should be looking out for.
Role of Internal Audit	We would provide a short session on what the internal audit function should be delivering to the Organisation and the added value which we would bring.
Finance for Non-Financials	This is useful for committee members who do not have a finance background and covers areas such as the management accounts, budget reporting and the statutory accounts.
Fraud Awareness	We would cover the importance of a having a strong control environment and areas to be aware of in relation to fraud. We would discuss some real-life examples of where we have identified or been asked to investigate allegations of fraud and the results of these investigations.



# E – Audit Universe



We have set out below the auditable entities, processes, systems and activities, which support the development of the internal audit plan, and the Internal Audit coverage since 2019. Please see page 18 for colour key of assurance ratings. The assurance levels identified were those at the time of the review where we have followed up on recommendations raised since the completion of the audit.

Area	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Financial Systems</b>	Financial Controls	Financial Controls	Overall Financial Controls	Budgetary & Financial Reporting	Purchase Order System Review	Payroll and Expenses	Budgetary & Financial Reporting
	Grants to Gaelic Organisations	Grants to Gaelic Organisations	Grants to Gaelic Organisations	Grants to Gaelic Organisations	Grants to Gaelic Organisations	Grants to Gaelic Organisations	Grants to Gaelic Organisations
					Review of Finance System	Review of new Funding Model to MFO	
<b>Procurement/ Contract Management</b>	Shared Services & General Procurement					Procurement	
<b>Performance Management &amp; HR</b>	Performance Management			Performance Management	Staff Recruitment & Succession Planning	Absence Management	Employee Performance Management
	External Organisations (MFOs) - Performance Management	External Organisations (MFOs) - Performance Management	External Organisations (MFOs) - Performance Management	External Organisations (MFOs) - Performance Management	External Organisations (MFOs) - Performance Management	External Organisations (MFOs) - Performance Management	External Organisations (MFOs) - Performance Management

# E – Audit Universe

Area	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Performance Management &amp; HR</b>	Employee Performance Management		Employee Performance Management		Employee Performance Management		
<b>Strategic &amp; Central Functions</b>		Business Continuity & Disaster Recovery					
		Improvement Plan					
			Public Bodies Gaelic Language Plans (GLAIF)				
<b>Governance, Risk &amp; Compliance</b>	Finance Governance		Finance Governance	Governance		Governance and Risk Management	Risk Management
	Risk Management	Risk Management	Risk Management	Risk Management			Strategic Planning
	Corporate Governance	Corporate Governance	Board Effectiveness Review				
			Impact of Government Policy				
<b>IT</b>	Information Security and Management		Information Security & Management	Cyber Security	Information Security & Management		Cyber Security

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Status of Audit Recommendations
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	2.4
<b>Spokesperson:</b>	Nicola Pearson, Head of Finance and Corporate Affairs
<b>Appendices:</b>	PT1 Status of Audit Recommendations

## **1. Purpose**

- 1.1. The purpose of this paper is to present information on progress on the actions arising from Internal and External Audit reports to the Audit and Assurance Committee.
- 1.2. The paper is in English as will be reviewed by the internal and external auditors as part of their audit work.

## **2. Background/Main points**

- 2.1. It is important the Audit and Assurance Committee assures itself that there is adequate progress and control improvements in implementing the recommendations.
- 2.2. There are no outstanding internal audit recommendations, including the three contained in today's audit review report on Payroll and Expenses.
- 2.3. There are no outstanding external audit recommendations.
- 2.4. There are no internal audit observations.

## **3. Recommendation**

- 3.1. The Committee is requested to approve the register.

## **4. Main Strategic Impacts**

- 4.1. Impact on Finance: Audit fees are included in the budget.
- 4.2. Impact on Staff: The register is reviewed regularly by the Leadership Team and managers to ensure that progress is being made.
- 4.3. Impact on Training: N/A
- 4.4. Link Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: It is important the Bòrd na Gàidhlig continues to demonstrate improvement and these audit recommendations contribute to this.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: N/A
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

**5. Links to the National Performance Framework**

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

**6. Governance Route**

6.1. Approved by the Leadership Team on 7 May 2025.

**7. Confirmation of Circulation of Document**

7.1. This is an open paper.

## STATUS OF RECOMMEDATION

## INTERNAL AUDIT RECOMMENDATIONS

Unique Ref	Date added	Recommendation	Management Action	Owner	Current Position	Date of Update	Progress
IAR17	25/02/2025	Training log should document the following: Name of Training, Date of Training and Attendees.	We will ensure that this is carried out and the Training Log completed in full following all training.	Head of Finance & Corporate Affairs	Procedures reiterated and update underway.	02-May-25	Complete
IAR18	25/02/2025	Organisation should update Skills Matrix to include all members of the Board for current years and their relevant skills	Skills Matrix to be updated to reflect current board membership	Cathriache / Ceannard	This has been completed	02-May-25	Complete
IAR19	25/02/2025	Organisation should ensure the Procurement Policy and thresholds are adhered to for suppliers with spend over £1,000.	Will ensure appropriate evidence is retained for all procurement	Head of Finance & Corporate Affairs	Desk notes updated to include retention of internet searches	02-May-25	Complete
IAR20	25/02/2025	The Contract Register is reviewed throughout the year to ensure it remains accurate and that only live contracts are recorded.	We will update the Register to reflect only current contracts and ensure it is updated every six months	Head of Finance & Corporate Affairs	Register has been updated as per recommendation	02-May-25	Complete
IAR21	25/02/2025	The Organisation document date/time of telephone call with supplier and outcome of the discussion when reviewing changes in	We will note on the suppliers contact details on Xero when a change has been confirmed by telephone	Head of Finance & Corporate Affairs	Procedure updated	02-May-25	Complete
IAR22	25/02/2025	We recommend the Fraud Policy is reviewed immediately to ensure it reflects current practices	The policy is under review	Head of Finance & Corporate Affairs	Policy review complete	02-May-25	Complete
IAR23	25/02/2025	We recommend that the Procurement Policy is reviewed immediately and that version control is added to show date of last review, date of	We will review the Procurement Policy adding version control to the document	Head of Finance & Corporate Affairs	Policy review complete	02-May-25	Complete
IAR24	31/03/2025	The Organisation should ensure that all request forms are fully completed through improved monitoring of travel expense claims	We will ensure that, where appropriate, a travel request form is uploaded to Xero to evidence the approval of expenses claims.	Head of Finance & Corporate Affairs	Procedures reviewed and in place	02-May-25	Complete
IAR25	31/03/2025	We recommend the Organisation implements a process to ensure staff members return the completed HMRC Starter Checklist within a	We will ensure that with future new starts, the HMRC form is fully completed.	Head of Finance & Corporate Affairs	Procedures reiterated	02-May-25	Complete
IAR26	31/03/2025	We recommend the Organisation implements a process where resignation documentation is sent directly to the Head of Finance and Corporate Affairs or the Finance Officer within a set timeframe.	We will ensure that for all future leavers an appropriate form of notice is received and retained by finance	Head of Finance & Corporate Affairs	Leavers checklist reviewed and Finance will be proactive in seeking confirmation	02-May-25	Complete

THERE ARE NO EXTERNAL AUDIT RECOMMENDATIONS

THERE ARE NO INTERNAL AUDIT OBSERVATIONS

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Risk Management Strategy
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	3.1
<b>Spokesperson:</b>	Nicola Pearson, Head of Finance & Corporate Affairs
<b>Appendices:</b>	PT1 Risk Management Strategy

## **1. Purpose**

- 1.1. The paper presents the Risk Management Strategy for the organisation.
- 1.2. The paper is in English as it will be reviewed by the internal and external auditors as part of their work.

## **2. Background/Main points**

- 2.1. The Risk Strategy was last agreed by the Audit and Assurance Committee in May 2024.
- 2.2. It is reviewed on an annual basis and updated where appropriate.
- 2.3. Item 1.2 has been clarified and there are no other proposed changes to the Risk Management Strategy.

## **3. Recommendation**

- 3.1. The Committee is to discuss the information presented and approve the Strategy.

## **4. Main Strategic Impacts**

- 4.1. Impact on Finance: No direct impact but ensures that financial risks are considered by the organisation.
- 4.2. Impact on Staff: N/A
- 4.3. Impact on Training: N/A
- 4.4. Links to Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: Managing risk effectively is important to the organisation's reputation and the strategy ensures that there is an effective system in place.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: N/A
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

**5. Links to the National Performance Framework**

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses <input checked="" type="checkbox"/>			

**6. Governance Route**

6.1. Approved by the Leadership Team on 8 May 2025.

**7. Confirmation of Circulation of Document**

7.1. This is an open paper.

## **BÒRD NA GÀIDHLIG**

### **RISK MANAGEMENT STRATEGY**

#### **1. INTRODUCTION**

- 1.1 The management of risk involves the identification and evaluation of uncertainties and opportunities associated with the delivery of agreed objectives. These uncertainties and opportunities can be internal or external to the organisation.
- 1.2 Risk management can operate at many organisational levels. At the top level, strategic risk management focuses on the delivery of long term corporate objectives, most commonly set out in ~~the~~ Corporate and Operational Plans. Tactical and delivery risks will relate to annual operational plans and to specific project and activity plans respectively.
- 1.3 Risk management processes set out the organisation's planned responses to these uncertainties and untested opportunities in delivering its objectives. Risk management is focused on working to support achievement of goals and objectives. Through the risk management processes Bòrd na Gàidhlig seek to identify the key uncertainties that may adversely impact on its delivery, and identify the steps it plans to take in moderating those uncertainties. BnG also seek to evaluate opportunities that present themselves, consider their potential benefits and consequences, and determine whether to pursue those options further.
- 1.4 Those responsible for overseeing delivery of objectives need to establish their risk appetite – the extent to which they are willing to accept a degree of uncertainty around strategic, tactical and operational objectives, and the degree of work which needs to be focused more on reducing the levels of uncertainty associated with delivery. BnG's risk management approach seeks to support the evaluation of risk, the potential to reduce or mitigate these risks, and determine whether remaining or residual levels of risk are acceptable.

#### **2. STRATEGIC RISK MANAGEMENT**

- 2.1 Risk Management in Bòrd na Gàidhlig is led from the strategic level. The organisation has statutory responsibility for the submission of a National Gaelic Language Plan to Scottish Ministers every five years. The Board agrees a five-year Corporate Plan for the organisation, and establishes a strategic risk register which identifies the main risks that could impact on the achievement of the long term priorities and objectives adopted within the National and Corporate Plans that are within the organisation's control. The Board, with the support of the Leadership Team, also establishes a set of mitigation actions which are focused on reducing the levels of uncertainty – whether the likelihood of a risk occurring or its impact should it occur – to acceptable levels wherever possible.
- 2.2 The Board is responsible for managing the approach to strategic risk in delivery of its long-term goals and achieves this through integrating its review of the strategic risk position as an embedded element of its regular review of Corporate Plan delivery. The status of strategic risks is assessed quarterly, and also against updates presented by internal audit on delivery against strategic plans. Embedding these processes ensures the process of risk management remains relevant and directly linked to the process of monitoring delivery of the organisation's objectives.
- 2.3 The completeness of Bòrd na Gàidhlig's risk register can be assessed at these points, as can the effectiveness of mitigation actions. Newly emerging uncertainties or opportunities and the



planned approach to them can be added, while any risks which have been adequately reduced can be removed from the risk register.

- 2.4 Between Board meetings, the responsibility for monitoring strategic risk management and the coverage of the risk register and management action is delegated to the Board's Audit and Assurance Committee. They fulfill this responsibility through monitoring the risk register at their quarterly meetings and receiving updates from the Leadership Team on any exceptional new risks arising between meetings. The Leadership Team also undertakes regular reviews of the risk register.

### 3. RISK APPETITE

- 3.1 Risk appetite underpins our overall corporate strategy, delivery of corporate objectives and stakeholder expectations. The approach to risk management set out above establishes that Bòrd na Gàidhlig has a dynamic rather than formulaic approach to risk appetite. This is particularly evident in that BnG have a low risk appetite for corporate and financial matters, as befits a public body. There is an increased risk appetite in the development function, enabling innovation and testing of approaches across a wider range of situations and scenarios.

### 4. RISK ASSESSMENT

- 4.1 The arithmetic assessment of likelihood and impact before and after mitigation is an element of the risk management approach. However, the key determinant of risk appetite is the Board's evaluation of the coverage of the strategic risk register and adequacy of management and mitigation responses rather than a formulaic approach to reducing risk values.
- 4.2 Risks are assessed to assert the significance of the threat and at what level the risk should be treated. Each risk is scored as very high, high, medium or low based on the risks **Impact x Likelihood**. Impact and likelihood are scored from 1 to 5 based on the guidance tables below. Risk assessors should choose the most suitable category of impact or likelihood for each risk. Our risk registers set out a resultant risk assessment level after the potential impact of management and mitigation action.
- 4.3.4 The impact of a risk will depend on the size and complexity of the risk, as well as the risk appetite for the related Activity.

Score	Financial	Operational	Stakeholder	Reputation	People	Budget Reduction	Compliance
1	No impact on ability to deliver a balanced budget	No negative impact on ability to deliver the service	Some stakeholder concerns but little damage to confidence	Some local media coverage but not leading to any influence on Bòrd na Gàidhlig's reputation	Little impact on staff. No adverse motivational or welfare concerns	<3%	No impact on ability to ensure compliance.
2	Ability to deliver a balanced budget will be realised with minimal adjustment	There will be minimal impact on ability to deliver functions	Minor damage to stakeholder confidence, mainly with short-term implications	Principally local media coverage with some national and social media coverage with minor impact on	Staff motivation affected. Minor reduction in output from staff	4% to 9%	There will be minimal impact on ability to ensure compliance.

				Bòrd na Gàidhlig's reputation			
3	Action required to ensure delivery of a balanced budget. Potential adverse impact on service delivery	There will be reduction in the ability to deliver functions and there may be minor service reduction.	Moderate damage to stakeholder confidence, mainly with short-term but possibly with some longer-term implications	National/ social media coverage with moderate and short-term impact on Bòrd na Gàidhlig's reputation	Staff attendance rates reduced. Health issues arising. Impact on functions to deliver against plans.	10% to 14%	Additional action required in order to address non-compliance and programme of improvement in place.
4	Insufficient finances available, leading to some parts of function delivery being adversely affected	Function disruption for an extended period. Major consequence.	Major damage to stakeholder confidence - long term implications for relationship	National/ social media coverage with significant and medium-term impact on Bòrd na Gàidhlig's reputation	Staff leave the service. Inability for functions to meet objectives. Bòrd na Gàidhlig unable to deliver strategic priorities	15% to 25%	Major issues regarding compliance and extensive programme of improvement in place.
5	Failure to live within means, all function delivery areas will be affected, Government intervention required	Failure to deliver functions	Total destruction of stakeholder confidence, very severe impact on re-building confidence for any future relationship	Major PR disaster, severe long-term damage to the reputation of Bòrd na Gàidhlig.	Unable to deliver against corporate plan or ministerial expectations	>25%	Non-compliance such that Government intervention will be required.

4.4 The likelihood score is an indication of how likely it is that a risk will materialise, and also includes a scale for specific change projects or new areas of work.

Score	Description
1	Very Low – Where an occurrence is improbable or very unlikely
2	Low – Where an occurrence is possible but the balance of probability is against
3	Medium - Where it is likely or probable that an incident will occur
4	High – Where it is highly likely that an incident will occur
5	Very High – Where it is almost certain that an incident will occur

4.5 Where a risk has been scored, it will achieve a score of Very High, High, Medium or Low.

5	L	M	H	VH	VH
4	L	M	H	H	VH
3	L	M	M	H	H
2	L	L	M	M	M
1	L	L	L	L	L
	1	2	3	4	5

impact

- 4.6 When assigning risk ratings the criteria below are used to assess the action necessary. This forms part of the risk appetite.

<b>Very High</b>	Risk Score 20-25	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring
<b>High</b>	Risk Score 12-16	Unacceptable level of risk which requires controls to be put in place to reduce exposure and monthly monitoring
<b>Medium</b>	Risk Score 6-10	Controls can be put in place or the risk accepted. Subjected to quarterly monitoring.
<b>Low</b>	Risk Score 1-5	Acceptable level of risk subject to six monthly monitoring

- 4.7 Once a risk has been assessed it is necessary to determine the most appropriate response to managing it. There are five potential ways to manage risks. These are:

**Tolerate** - Accept the consequences of the risk should it occur. If the risk is tolerated no control measures require to be implemented and therefore the risk only requires to be monitored on quarterly basis.

**Treat** - Take action to reduce the probability and/or impact of the risk.

**Transfer** - Remove part of the risk to someone else

**Terminate** - Cease the action/activity that is causing the risk to occur if this is appropriate

**Take an opportunity** - Share the risk with a partner involved in the area of work

## 5. ROLES AND RESPONSIBILITIES

- 5.1 The Board is responsible for ensuring that effective arrangements are in place to provide assurance on risk management. Board members receive a report from the Audit and Assurance Committee on the strategic risk register at quarterly board meetings and will consider individual risks in depth on a regular basis..
- 5.2 The Audit & Assurance Committee (AAC) provides support to the Board for issues of risk management, control and governance. They review the strategic risk register at quarterly meetings, with information on increases/decreases in risks provided, and consider the incorporation of new risks or removal of low-level risks.
- 5.3 Leadership Team are responsible for continuing to develop the strategic risk register and for implementing actions identified to ameliorate risks. They are identified individually as responsible for specific risks. They are also responsible for the development and monitoring of the operational risk register as well as implementing any identified actions, in the same way as the strategic risk register. They also should advise the Audit & Assurance Committee of any new strategic risk which arises between AAC meetings.

## 6. OPERATIONAL RISK REGISTER

- 6.1 The operational risk register identifies the risks to achievement of operational objectives. Risks are assessed using the same assessment system as the strategic risk register and the same principles for addressing risks are used. Again, each risk is allocated to a senior officer who takes responsibility for it. The operational risk register is updated at the regular Leadership Team meetings.

## **7. REVIEW**

- 7.1 Bòrd na Gàidhlig's risk appetite will be reviewed annually and considered by the Board to check that the risk appetite remains appropriate to deliver the organisation's intended strategic aims and objectives in light of internal and external drivers and constraints.

**Nicola Pearson**  
**Ceann an Ionmhais is Cùisean Corporra**  
**02.05.2025**

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Risk Management
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	3.2
<b>Spokesperson:</b>	Nicola Pearson, Head of Finance & Corporate Affairs
<b>Appendices:</b>	PT1 Strategic Risk Register

## 1. Purpose

- 1.1. The paper presents the Strategic Risk Register for the organisation.
- 1.2. The paper is in English as it will be reviewed by the internal and external auditors as part of their work.

## 2. Background/Main points

- 2.1. The strategic risk register records and assesses the major risks faced by Bòrd na Gàidhlig. It also records the mitigating actions and progress on these undertaken to reduce or control the level of the risk faced .
- 2.2. Risks are assessed to assert the significance of the threat and at what level the risk should be treated. Each risk is scored as very high, high, medium or low based on the risks Impact x Likelihood. Detailed information on scoring can be found the Risk Management Strategy.
- 2.3. On the register the Gross Score is the score assessed prior to the implementation of the current controls, with the Net Score being the risk assessment including the current controls.
- 2.4. The register aims to focus on the risks (uncertainties, opportunities, and negative impacts) which most directly impact of BnG's priorities.
- 2.5. There has been an increase to the risk rating of risk 5 since the register was presented to the Board in March. The likelihood score has been increased by 1. This is due to delays in the recruitment of new board members and chair.
- 2.6. A number of narratives and timelines have been updated.

<b>Risk ↑</b>	<b>Risk ↓</b>	<b>Other</b>
<b>Risk 5</b> - risk rating has increased since the last review	No ratings have reduced since last review	<b>1.</b> A number of narratives have been updated  <b>2.</b> Some timelines have been amended

### 3. Recommendation

3.1. The Committee is requested to:

- discuss the register and make recommendations on addition and removal of risks.
- The committee is requested to approve the register.

### 4. Main Strategic Impacts

- 4.1. Impact on Finance: No direct impact but ensures that financial risks are considered by the organisation.
- 4.2. Impact on Staff: The risk register provides direction on controls and actions put in place by staff.
- 4.3. Impact on Training: Risk management training to be arranged regularly.
- 4.4. Links to Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: Effective risk management is core to maintaining a positive reputation as an effective and efficient public organisation.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: It is a requirement of the Scottish Public Finance Manual that a public body maintains risk management processes  
<https://www.gov.scot/publications/scottish-public-finance-manual/risk-management/risk-management/>
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

### 5. Links to the National Performance Framework

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

### 6. Governance Route

6.1. Approved by the Leadership Team on 7 May 2025.

### 7. Confirmation of Circulation of Document

7.1. This is an open paper.

## Strategic Risk Register

Strategic Aim 1: More people are using and benefiting from Gaelic at home and in the community									
Ref	Risk description	Cause	Impact	Gross score [prior to current controls]  (I/L/S)	Current controls [systems already in place]	Net score [including current controls]  (I/L/S)	Proposed actions and controls [tasks being undertaken to deal with arising risk]	Timeline	Risk Owner
1.1	Inadequate resources to deliver the Corporate Plan	<p>SG temporary freeze on recruitment</p> <p>Medium and longer-term finances are not increased therefore Gaelic development is constrained</p> <p>[BnG baseline funding has remained static since 2007/08; this is a real terms decrease of approx. 45%]</p>	<p>BnG's contribution to Gaelic development ceases to meet with demand</p> <p>We have insufficient staff capacity and/or capability to deliver our Corporate Plan</p> <p>Impact on wellbeing of staff and board Reputation is negatively impacted</p>	<p>25</p> <p>(5X5)</p>	<p>Implementation of multi-year funding agreements for main delivery partners which encourage collaboration</p> <p>Corporate Plan developed in line with new NGLP and approved by SG</p> <p>Business case presented to SG</p> <p>MTFP updated annually and presented to Board</p> <p>Effective recruitment, induction, training and development and performance management systems in place</p>	<p>20</p> <p>(4x5)</p>	<p>Build in agility to take advantage of funding opportunities as they arise</p> <p>Programme for development of middle managers skills and knowledge</p> <p>Continue to make the case for increased funding for BnG or amendment to running costs cap</p>	<p>Ongoing</p> <p>Aug '25</p> <p>Ongoing</p>	ED

					<p>Budget management in place to comply with SG GiA requirements for running costs</p> <p>Review of staff resource to mitigate impact of vacant posts.</p>				
<p><b>Risk Appetite: HIGH</b></p>		<p><i>We acknowledge there is a challenging environment in public finance and continue to work closely with our sponsorship team in relation to resource.</i></p>							



Strategic Aim 1: More people are using and benefiting from Gaelic at home and in the community									
Ref	Risk description	Cause	Impact	Gross score  [prior to current controls]  (I/L/S)	Current controls  [systems already in place]	Net score  [including current controls]  (I/L/S)	Proposed actions and controls  [tasks being undertaken to deal with arising risk]	Timeline	Risk Owner
1.2	Failure to deliver objectives through partnerships and network organisations  [BnG has effectively increased its partnership development and advisory function and this needs to be maintained]	Limited control over direction and impact of third-party delivery  BnG strategies for engagement and/or relationships do not respond to stakeholders' needs  Quality and reach of communication is insufficient to engage  Failure to adapt to changes in primary or secondary legislation	Difficult for Delivery Partners to achieve anticipated outcomes  Support for Gaelic is undermined  Willingness to collaborate and engage with BnG is reduced	15  [5x3]	Sustained effective communication with key delivery bodies  Change in GLP processes leading to engagement between BnG and public authorities  Framework agreement with SG  External Communications Strategy reporting to Board quarterly	12  [4x3]	Reporting on corporate and operational plans will focus on outcomes with effective performance metrics thereby providing clearer direction internally and externally	Ongoing	IMM
<b>Risk appetite: HIGH</b>		<i>BnG delivers development activities in partnership with community-based organisations and bodies, and relies on those organisations to deliver on the plans they have submitted and have had approved by BnG. The arrangements are based on an agreed shared plan and are dependent on the capacity of partner organisations to deliver on these plans.</i>							

Strategic Aim 2: Opportunities for people to develop their Gaelic skills at any age are increased and more accessible									
Ref	Risk description	Cause	Impact	Gross score [prior to current controls] (I/L/S)	Current controls [systems already in place]	Net score [including current controls] (I/L/S)	Proposed actions and controls [tasks being undertaken to deal with arising risk]	Timeline	Risk Owner
2	Supporting growth and promotion in Gaelic education is ineffective	<p>BnG advisory input is not of sufficient quality and impact</p> <p>Political decisions are taken which address the majority, not the minority</p> <p>Statutory Guidance on Gaelic education is not sufficiently strong</p> <p>Dependant on the wider support of external organisations</p>	<p>Advice provided by BnG on Education Reform and other legislation is ignored or not implemented</p> <p>Gaelic education is not normalised within Scotland, leading to reduced uptake, attainment and impact</p> <p>Gaelic is not normalised across Scottish society, increasing language loss and disaffection</p>	<p>20</p> <p>[5x4]</p>	<p>Statutory Guidance on Gaelic Language Plans published</p> <p>Consistent advice provided to the ongoing processes for Education Reform and Scottish Languages Bill</p> <p>Engagement with SG Gaelic and Scots Division in collaborative work</p> <p>Participation in regional and other fora to promote Gaelic</p> <p>Contribute to education focused consultations</p>	<p>15</p> <p>[5x3]</p>	<p>Revision and renewal of Statutory Guidance on Gaelic Education</p> <p>Increased engagement with political parties on the importance of Gaelic education for normalising and growing Gaelic</p> <p>Input to the Scottish Languages Bill process on a new national Gaelic Education strategy</p>	<p>2025/26</p> <p>Ongoing</p> <p>2024/25</p>	JMH
Risk appetite: MEDIUM		Advisory role to Scottish Government on Gaelic Education means impact not always guaranteed.							

Strategic Aim 3: Our work informs and influences Gaelic development and policies which impact Gaelic									
Ref	Risk description	Cause	Impact	Gross score [prior to current controls] (I/L/S)	Current controls [systems already in place]	Net score [including current controls] (I/L/S)	Proposed actions and controls [tasks being undertaken to deal with arising risk]	Timeline	Risk Owner
3	People don't understand the role and functions of BnG	<p>BnG strategies for engagement and/or relationships are ineffective</p> <p>Negative media - external/ generally and internal to Gaelic communities</p> <p>Insufficient communication on what BnG does to make a difference</p>	<p>Reduced support for Gaelic development</p> <p>Gaelic speakers and learners lose confidence in BnG and therefore negative effect on the community leaving them disenfranchised</p>	<p>12</p> <p>[4x3]</p>	<p>Continued work with organisations who receive funding to clearly acknowledge BnG support</p> <p>External Communications Strategy approved Oct 24</p> <p>Use new NGLP and BnG Corporate Plan to reinforce the key messages of what we do</p> <p>Conaltradh work stream put in place.</p>	<p>9</p> <p>[3x3]</p>	<p>Continue to develop role of board members as ambassadors for BnG</p> <p>Conaltradh work stream to develop the BnG story</p>	<p>Ongoing</p> <p>June '25</p>	NP
Risk appetite: MEDIUM		Whilst BnG does what it can to explain and inform, it has to accept that there may always be misunderstanding around BnG's scope of work.							

Strategic Aim 3: Our work informs and influences Gaelic development and policies which impact on Gaelic									
Ref	Risk description	Cause	Impact	Gross score [prior to current controls] (I/L/S)	Current controls [systems already in place]	Net score [including current controls] (I/L/S)	Proposed actions and controls [tasks being undertaken to deal with arising risk)	Timeline	Risk Owner
4	Failure to maximise the benefits from the work undertaken by our key stakeholders and delivery partners	<p>Communication strategy with our key stakeholders and delivery partners is ineffective</p> <p>Insufficient capacity and/or capability among our key stakeholders and delivery partners</p> <p>Delivery partners not necessarily delivering in line with BnG's objectives.</p>	Damages the credibility and reputation of BnG. Ultimately this could lead to a reduction in support (financial and other) from Scottish Government, key partners and communities	16  [4x4]	<p>Grant systems in place which provide monitoring</p> <p>New multi-year agreements developed</p> <p>Gaelic language plans system in place</p> <p>Increased social media and comms</p> <p>Presentation of progress reports to CPG</p> <p>GLP Statutory Guidance published</p> <p>Participate in SG Gaelic Communications call</p>	12  [4x3]	<p>Monitoring of NGLP and Corporate Plan</p> <p>Encourage stakeholders and key delivery partners to publicise their good news stories broadly</p> <p>Investigate the possible reinstatement of Communications Officer network</p>	<p>Ongoing</p> <p>Mar '25 Ongoing</p> <p>Mar '25</p>	IMM
Risk appetite: MEDIUM		Funding arrangements are based on Plans which outline how delivery partners will meet their own and BnG's objectives and the provision of ongoing funding is dependent on the receipt of satisfactory monitoring reports.							

Strategic Aim 3: Our work informs and influences Gaelic development and policies which impact on Gaelic									
Ref	Risk description	Cause	Impact	Gross score [prior to current controls] (I/L/S)	Current controls [systems already in place]	Net score [including current controls] (I/L/S)	Proposed actions and controls [tasks being undertaken to deal with arising risk)	Timeline	Risk Owner
5	The governance developments implemented in the organisation are not sustained	<p>Insufficient capacity and/or capability</p> <p>New responsibilities are allocated without commensurate resources</p> <p>Widening field of operations due to external or internal pressure.</p>	<p>Organisation does not meet stakeholders' expectations leading to disillusion and criticism; ultimately impacting on Gaelic development</p>	<p>16</p> <p>[4x4]</p>	<p>Continuous improvement planning system in place</p> <p>Increasing use of technology to assist in more administrative tasks</p> <p>Increased number of board members bringing additional skills and resilience</p> <p>Programme of internal audit in place.</p> <p>Work plan and training requirements identified for 25/26</p> <p>Engaged fully in parliamentary</p>	<p>912</p> <p>[3x34]</p>	<p>Engage fully in <b>stage 3 of</b> parliamentary process for new languages bill</p> <p>Review and update organisational Succession Plan</p> <p>Review work plan and training requirements</p> <p>Chair liaising with SG on public appointments</p>	<p>2025</p> <p>Ongoing</p> <p>Mar'25 Ongoing</p> <p>Ongoing</p>	ED

					process for new languages bill				
Risk appetite: MEDIUM		Skills development is a priority, as is engagement, with matrix in place to monitor progress.							

## Scoring

I/L/S = Impact (max 5) x Likelihood (max 5) = Score

Refer to Section 4 of [Risk Management Strategy](#) for detailed information.

Very High	Risk Score 20-25	Unacceptable level of risk exposure that requires immediate mitigating action and monthly monitoring
High	Risk Score 12-16	Unacceptable level of risk which requires controls to be put in place to reduce exposure and monthly monitoring
Medium	Risk Score 6-10	Controls can be put in place or the risk accepted. Subjected to quarterly monitoring.
Low	Risk Score 1-5	Acceptable level of risk subject to six monthly monitoring

## Acronyms of people responsible:

ED – Ealasaid MacDonald, Ceannard

IMM – Iain Macmillan, Director

JMH – Jennifer McHarrie, Director

NP – Nicola Pearson, Head of Finance and Corporate Services

## Other acronyms

BnG – Bòrd na Gàidhlig

GLP – Gaelic Language Plan

SG – Scottish Government

MTEP – Medium Term Financial Plan

GiA – Grant in Aid

CPG – Comataidh Poileasaidh is Ghoireasan

NGLP – National Gaelic Language Plan

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Best Value Statement
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	4.1
<b>Spokesperson:</b>	Nicola Pearson, Head of Finance & Corporate Affairs
<b>Appendices:</b>	PT1 Best Value Statement 2024/25

## **1. Purpose**

- 1.1. The purpose of this paper is to seek approval for the Best Value Statement 2024/25.
- 1.2. The paper is in English as it has been prepared by the Head of Finance and Corporate Affairs and will be reviewed by auditors as part of their work.

## **2. Background/Main points**

- 2.1. Best Value is a requirement of public bodies. Guidance is provided in the Scottish Public Finance Manual and Audit Scotland (AS) defines it as follows:  
  
“Best Value is about ensuring that there is good governance and effective management of resources, with a focus on improvement, to deliver the best possible outcomes for the public.”
- 2.2. The duty of Best Value applies to all public bodies in Scotland. It is a statutory duty for local authorities, such as councils. It is a formal duty for the Scottish Police Authority and Chief Constable, the Scottish Fire & Rescue Authority and Chief Fire Officer and, in the rest of the public sector, it is a formal duty on Accountable Officers, such as the chief executives of NHS bodies or of further education colleges.
- 2.3. The statement reflects the seven areas recommended by Scottish Government and AS guidance and in order to make the most effective use of resources, the measures suggested for monitoring targets are systems and processes that are already in place, rather than the creation of new, additional metrics.

## **3. Recommendation**

- 3.1. The Committee is requested to:
  - Consider the statement and make recommendations for improvement as appropriate;
  - Approve the statement.

## **4. Main Strategic Impacts**

- 4.1. Impact on Finance: The statement relates to how the organisation uses its finances; it does not incur additional expenditure as a result of having the statement.



- 4.2. Impact on Staff: The principle of best value informs our approach to how we delivery our work and therefore impacts on staff in all that they do.
- 4.3. Impact on Training: N/A
- 4.4. Links to Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: Demonstration of best value is important to maintaining the high reputation of Bòrd na Gàidhlig and also to the public sector.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: It is a formal duty of the Accountable Officer.
- 4.8. Impacts on Equality: The statement includes consideration of ensuring equality and diversity.
- 4.9. Impacts on the Environment: The statement includes Sustainability as one of the key themes, and it describes how the organisation aims to address environmental matters.

## 5. Links to the National Performance Framework

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

## 6. Governance Route

- 6.1. Approved by the Leadership Team on 9 May 2025.

## 7. Confirmation of Circulation of Document

- 7.1. This is an open paper.

### **Bòrd na Gàidhlig Best Value Statement – 2024-2025**

The duty of Best Value in Public Services is to make arrangements to secure continuous improvement in performance whilst maintaining an appropriate balance between quality and cost, having regard to economy, efficiency, effectiveness and equal opportunities. Our Accountable Officer is responsible for the delivery of Best Value.

#### **Vision & Strategic Priorities**

Bòrd na Gàidhlig are a small organisation with a big vision – that Gaelic is seen and heard on a daily basis across Scotland, such that it is widely recognised as an integral part of Scottish life and a national cultural and economic asset. Bòrd na Gàidhlig work with partners to ensure that our vision for Gaelic is progressed.

Bòrd na Gàidhlig's role, as set out in the Gaelic Language (Scotland) Act 2005, comprises policy development, provision of advice and funder. It also includes strategic oversight of the National Gaelic Language Plan, with an important responsibility as the Scottish Ministers' advisors on the Gaelic language.

Full details of Bòrd na Gàidhlig's vision and strategic priorities, and how these are measured can be found in the Corporate Plan 23-28.

**Target:** the achievement of Corporate Plans.

**Metric:** Annual Report and Accounts – narrative on progress made

#### **Partnership**

At the heart of the Bòrd na Gàidhlig vision and strategy are our partners. Bòrd na Gàidhlig recognise that to deliver the greatest impact, there is a need to focus strategy on working with those key partner organisations who work across communities throughout Scotland, reaching current and future Gaelic speakers and those who are interested in Gaelic.

The Gaelic language does not exist in isolation – it is connected to the land, the people, our history, our music and literature. Bòrd na Gàidhlig's partners are working tirelessly to bring Gaelic language and culture to a wider audience and Bòrd na Gàidhlig aim to facilitate their work, in addition to delivering our own.

Bòrd na Gàidhlig align the choice of key partners with strategic priorities and reach formal agreements in line with Bòrd na Gàidhlig's strategic plan. A continual two-way dialogue is promoted with partners and Bòrd na Gàidhlig actively seek to participate in their strategic discussions.

**Target:** that delivery partners make progress on the KPIs agreed with Bòrd na Gàidhlig.

**Measure:** review of progress reports received from delivery partners.

### **Governance and Accountability**

Bòrd na Gàidhlig believe the key to effective governance and accountability lies in transparency and openness. Bòrd na Gàidhlig work hard to ensure that the public has access to key documents and papers and consistently put the maximum information into the public domain as we can. Bòrd na Gàidhlig invite interested parties to attend meetings where possible and use digital mediums to ensure geography is no barrier to attendance.

Bòrd na Gàidhlig are open and honest about decision-making process and seek to measure each decision against strategic priorities to ensure the greatest impact and value for money. Bòrd na Gàidhlig publish decisions on its website. In addition, all funding decisions are made easily available through a national, online, searchable database.

Bòrd na Gàidhlig measure its impact through engagement with stakeholders and continually seek to benchmark our performance. The Stakeholder Charter explains who Bòrd na Gàidhlig's stakeholders are and how we engage, communicate and involve others in our work. Relevant surveys and data are used to identify where Bòrd na Gàidhlig need to concentrate our focus for continuous improvement.

**Target:** that external and internal audits provide positive reports on how Bòrd na Gàidhlig works.

**Measure:** Internal and external audit reports annually.

### **Use of resources**

When developing the National Gaelic Language Plan, Bòrd na Gàidhlig map the current profile of activity around Gaelic across Scotland at all levels and seek to understand how to maximise our reach and impact and that of our partners.

Each individual and organisation supported, directly or indirectly, sits at a different point on the spectrum of fluency in Gaelic and it is Bòrd na Gàidhlig's goal to facilitate people moving along that spectrum through an advisory, strategic, and funding roles.

**Target:** to achieve 80% of Key Performance Indicators.

**Measure:** Annual Report and Accounts.

### **Equality**

Gaelic belongs to all the people of Scotland and Bòrd na Gàidhlig will seek to ensure the relevance of our work across all communities, regardless of the status of Gaelic in that community. Bòrd na Gàidhlig will employ a diverse range of tools to reach those who may not be engaged by traditional methods and will seek to promote the diversity of the Bòrd na Gàidhlig staff team and continually foster innovation and creativity.

**Target:** evidence is provided for a diverse range of communities.

**Measure:** Responses submitted to regional and national public consultations.

### **Sustainability**

Bòrd na Gàidhlig is committed to sustainable development. Our work means that we include language development as part of the definition of sustainability. Gaelic language and culture are closely entwined with the environment and in Bòrd na Gàidhlig's work with partners we will ensure that those connections are communicated. The organisation reviews its operations to identify ways in which to increase positive actions for the environment and decrease those with negative impacts.

**Target:** Knowledgeable and proactive workforce.

**Measure:** Biodiversity Report, meeting the requirements of Scottish Government.

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Audit and Assurance Committee Annual Report
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	4.2
<b>Spokesperson:</b>	Stewart MacLeod, Chair of Audit & Assurance Committee
<b>Appendices:</b>	PT1 AAC Annual Report 2024/25

## **1. Purpose**

- 1.1. In accordance with the Scottish Government Manual for Audit and Assurance Committees, the Audit and Assurance Committee is required to provide an annual report to the Board and the Accountable Officer, in sufficient time to complete the accounts and report with a summary of its findings from its work during the year.
- 1.2. The Audit and Assurance Committee is required to report annually to the full Board on its work over the year, and on the reports provided to the Committee by internal and external auditors.
- 1.3. The paper is in English as it has been prepared by the Head of Finance and Corporate Affairs.

## **2. Background/Main points**

- 2.1. This Annual Report is presented on behalf of the Audit and Assurance Committee and reports on its work from April 2024 to March 2025.

## **3. Recommendation**

- 3.1. The Committee are requested to note the information presented and approve the report for presentation to the Board.

## **4. Main Strategic Impacts**

- 4.1. Impact on Finance: The report does not have a direct financial impact
- 4.2. Impact on Staff: The report gives an account of work carried out by the officers during the year.
- 4.3. Impact on Training: The report has no impact on training.
- 4.4. Links to Strategic and Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: The report contributes to increased understanding of the governance systems and activities of BnG, thereby supporting its reputation.
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: N/A
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

**5. Links to the National Performance Framework**

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

**6. Governance Route**

N/A

**7. Confirmation of Circulation of Document**

7.1. This is an open paper.

## **Annual report to the Board from the Audit and Assurance Committee**

### **Background**

The Audit and Assurance Committee (AAC) is required to report annually to the full Board on its activities over the year, and on the reports presented to the Committee by the organisation's internal and external auditors.

This Annual Report is presented on behalf of the Audit and Assurance Committee to cover the period of its operations from April 2024 to March 2025.

### **Overview**

- The period of this Annual Report covers consideration of final accounts for 2023/24, together with associated reports from the organisation's external auditors.
- The Committee has also continued to have oversight of the work of the organisation's internal auditors and consider reports issued by them.
- The Committee met four times over the period covered by this report.

### **Work of the Committee**

#### **Meetings of the AAC**

Annex A lists the membership of the Committee over the period and the regular attendees from the Leadership Team, external auditors, Audit Scotland and internal auditors, Wbg Services Ltd.

The AAC held meetings on 21 May 2024, 24 September 2024, 19 November 2024 and 25 February 2025. In accordance with good practice, the Committee met privately with the internal and external auditors at the end of committee meetings when required. The Chair held meetings with officers and the Chair of the Board during the year and presented the minutes of each Committee meeting to the following Board meeting. The Chair provides information to Board on reports that have been through AAC and then presented to Board for approval or noting.

#### **Key Activities**

In addition to reports from the organisation's Internal and external auditors, considered in further detail below, the Committee also considered a number of other issues throughout the year:

- The Committee continued to take a strategic oversight of the organisation's risk management strategy and considered the strategic risk register at every meeting in 2024/25. The Committee has considered the appropriateness of coverage of the strategic risk register throughout the year, and adequacy of mitigation action, in periods between full Board considerations of risk management.
- The Committee reviewed and updated its Terms of Reference, and prepared and considered a Committee Work Plan which was reviewed at every meeting.
- The Committee reviewed a report on Data Protection at two meetings.
- The Committee reviewed and discussed a Cyber Resilience Report.
- The Committee reviewed and approved the Governance Statement as part of its consideration of final accounts, prior to recommending the accounts to the Board and their signature by the Accountable Officer.

- The Committee gave consideration and agreement to forward audit activity plans. The Committee agreed the plan of internal audit activity for 2024/25 as part of the Audit Needs Assessment by the internal auditors Wbg Services Ltd.
- The Committee considered the draft letter of representation from the organisation to Audit Scotland, the external auditor, prior to its signature by the Accountable Officer as an appropriate reflection of the organisation's position for preparation of the accounts for 2023/24 and conduct of the financial and wider control procedures over the course of the year.

### Internal Audit

Over the course of the period of this report, eight management reports were presented to the Committee. A further report on Internal Audit Recommendations Follow-up was also reviewed during the period. The findings and consequent recommendations for action are graded according to the internal auditors' assessment of the significance of the underlying weakness to the effective management of the organisation.

The Internal Audit opinion for the year 2024/25 is that "Bòrd na Gàidhlig did have adequate and effective risk management, control and governance processes to manage its achievement of the Organisation's objectives at the time of our audit work. In our opinion, the Organisation has proper arrangements to promote and secure value for money."

Table One below presents the overall conclusion and a summary of the number of internal audit recommendations, classified according to the degree of risk assessed by the internal auditors, for the reports set out in the Internal Audit Plan 2024/25.

**Table One: Summary of 2024/25 Internal Audit Findings**

Summary of Internal Audit Findings					
Audit Area	Overall Conclusion	Recommendation grading			Areas of good practice
		High	Medium	Low	
Grants to Gaelic Organisations	Strong	0	0	0	5
Review of new funding model to Delivery Partners	Strong	0	0	0	5
Procurement	Strong	0	0	5	4
Absence Management	Strong	0	0	0	6
Governance and Risk Management	Strong	0	0	2	6
Payroll and Expenses*	Strong	0	0	3	4
External Organisations Performance Management *	Strong	0	0	0	6
Annual follow-up *	Substantial	1	0	1	n/a
Total		1	0	11	36
2023/24 Total for comparison		2	5	6	41

\* Audit findings reported in 2025/26



### **Internal Control Effectiveness Categories**

In many organisations, only high priority recommendations which are typically considered to have strategic importance are brought to the attention of the Committee. In line with transparency and best practice the Committee is made aware of all recommendations made by the internal auditors, through consideration of full management reports following each audit review.

The Committee has agreed management responses to all recommendations made and continues to monitor progress made.

### **External Audit**

The Audit & Assurance Committee considered Audit Scotland's report to those charged with governance on the audit of the 2023/24 accounts at its meeting of 24 September 2024.

The accounts and external auditor's report for 2023/24 were considered and approved by the Committee and recommended to the Board. The accounts were signed by the Chief Executive as Accountable Officer and Audit Scotland on 12th October 2024, submitted to the Auditor General, and laid before the Scottish Parliament on 11th November 2024.

The Annual Audit Plan for 2024/25 was presented by the external auditors to the February 2025 meeting where it was approved by the Committee.

### **Strategic Risk Management**

The organisation's strategic risk register has been reviewed during the year by the Committee and full Board, ensuring it reflects the delivery priorities and strategic environment of the organisation in its delivery of the Corporate Plan. The Board has sight of the strategic risk register and is able to comment on it quarterly, while considering wider corporate performance reports.

## **Conclusions**

The Audit and Assurance Committee considers that it has been successful in progressing the Board's governance and internal control priorities during the period covered by this annual report.

The Committee has engaged through the year with issues identified by the organisation's internal and external auditors, and also by the organisation's officers. The Committee has received reports on issues raised, considered recommendations made, and approved responses and actions. The Committee has shaped and approved the overall audit plan and has guided the direction and approach of the internal auditors and their programme of work. The Committee has also monitored delivery against approved action plans.

The Committee will continue to address key issues of internal control and the development of appropriate processes within the organisation.

The Committee will continue to have oversight of the organisation's approach to and handling of risk management, and of wider aspects of corporate governance. In particular, members will seek to ensure that lessons are learned from operational experience and that wherever possible reviews of working practices and learning from them lead to improvements in BnG's systems.

I would like to thank my fellow Board members and co-opted member who served on the Committee for their contribution. I would also like to thank the leadership team and the administration team for their support in

facilitating and in their preparation of papers for the Committee meetings and in their willingness and determination to implement improvements in the way we work.

I also want to thank our internal and external auditors who have attended the meetings throughout the period reported to present reports and provide effective advice.

**Stewart MacLeod**

**Chair, Audit and Assurance Committee**

**May 2025**

## **Annex A**

### **Membership of the Bòrd na Gàidhlig Audit and Assurance Committee**

**April 2024 to March 2025**

Members:

Stewart MacLeod (Chair)

Donald MacPhee

Robert Dunbar

Robert MacKinnon (co-opted Member)

Jennifer Gilmour (Committee Member until 31/03/2025)

#### **Attendance:**

<b>Member</b>	<b>Number of meetings 2023/24</b>	<b>Attendance</b>
Stewart MacLeod (Chair)	4	4
Jennifer Gilmour	4	4
Robert MacKinnon	4	4
Donald MacPhee	4	4
Robert Dunbar	4	3

#### **Regular Attendees:**

##### Leadership Team

Ealasaid MacDonald, Ceannard & Accountable Officer

Nicola Pearson, Head of Finance & Corporate Affairs

##### Audit Scotland

Brian Battison, Audit Manager

Esther Scoburgh, Senior Audit Manager

##### Wbg Services Ltd

Scott McCready, Internal Audit Manager

Susan Brook, Senior Internal Audit Manager

##### TKM Consulting

Liz Taylor, Data Protection Officer

**Occasional Attendees:**

Bòrd na Gàidhlig

Karen Smith, Operations Manager

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Terms of Reference and Membership
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	4.3
<b>Spokesperson:</b>	Nicola Pearson, Head of Finance & Corporate Affairs
<b>Appendices:</b>	PT1 Terms of Reference CSD

### **1. Purpose**

- 1.1. The paper presents updates made to the Terms of Reference that require approval from the Audit and Assurance Committee, prior to requesting approval from the Board.
- 1.2. The paper is in English as it has been prepared by the Head of Finance and Corporate Affairs.

### **2. Background/Main points**

- 2.1. The Audit and Assurance Committee work to the remit contained within the Terms of Reference, and as approved by the Board.
- 2.2. The updates are marked by strikethrough.

### **3. Recommendation**

- 3.1. The Committee are requested to note the information presented and approve the report for presentation to the Board.

### **4. Main Strategic Impacts**

- 4.1. Impact on Finance: N/A
- 4.2. Impact on Staff: N/A
- 4.3. Impact on Training: N/A
- 4.4. Links to Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: N/A
- 4.6. Impacts on Health and Safety: N/A
- 4.7. Legal Impacts: N/A
- 4.8. Impacts on Equality: N/A
- 4.9. Impacts on the Environment: N/A

**5. Links to the National Performance Framework**

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

**6. Governance Route**

N/A

**7. Confirmation of Circulation of Document**

7.1. This is an open paper.



**NA BUN-RIAGHAILTEAN  
A' CHOMATAIDH SGRÙDAIDH IS DEARBHACHD**

**TERMS OF REFERENCE  
AUDIT & ASSURANCE COMMITTEE**

Air aontachadh le/Approved by: CSD

Air aontachadh air/Approved on: 2024-05

Ath-nuadhachadh a dhìth/Review due on: **2025-05**

A' Ghàidhlig is Beurla Co-ionnan: **OND**

## **A' CHOMATAIDH SGRÙDAIDH IS DEARBHACHD NA BUN-RIAGHAILTEAN**

Tha am Bòrd Stiùiridh air Comataidh Sgrùdaidh is Dearbhachd a stèidheachadh mar Chomataidh den Bhòrd Stiùiridh gus taic a chumail ris na dleastanasan aige a thaobh chùisean co-cheangailte ri rianachd chunnartan, smachd agus riaghladh agus dearbhadh co-cheangailte ri sin tro phròiseas le sgrùdadh, ath-bhreithneachadh agus ceasnachadh cuideachail.

### **Ballrachd**

- Tha na buill den chomataidh nam Buill Bùird: Stiùbhairt MacLeòid, ~~Jennifer Gilmour~~, Raibeart Dunbar agus Domhnall Mac a Phì; agus ball co-thagte Rob MacFhionghuin.
- Bidh Stiùbhairt MacLeòid na chathraiche air a' chomataidh.
- Bidh Buill air an Comataidh airson teirm de 2 bhliadhna, agus 's urrainnear seo sìneadh mar a tha feum. Bidh am Ball co-thagte air airson teirm de 1 bhliadhna.
- Thèid ath-nuadhachadh Ballrachd aontachadh le Cathraiche a' Bhùird-stiùiridh mar phàirt de phròiseas ath-bhreithneachaidh bliadhnail aig Buill.
- Bheir Ceann an Ionmhais is Chùisean Corporra taic rùnaireachd dhan chomataidh.
- Ma bhios Ball dheth, gun leisgeul reusanta, bho choinneamhan a' chomataidh airson barrachd na 4 mìos no airson 3 coinneamhan co-leantail agus chan eil iad air cead fhaighinn bhon Cathraiche, leigidh an comataidh fios don Bhòrd-stiùiridh.

### **Ag aithris**

- Bidh a' chomataidh ag aithris gu foirmeil ann an sgrìobhadh dhan Bhòrd agus dhan Oifigear Chunntachail às dèidh gach coinneimh. Mar as trice bidh lethbhreac de gheàrr-chunntas na coinneimh mar bhunait na h-aithris.
- Bheir a' chomataidh Aithisg Bhliadhnail dhan Bhòrd agus dhan Oifigear Chunntachail, ann an ùine gu leòr gus crìoch a chur air na cunntasan agus air an aithris air riaghladh, le geàrr-chunntas air na co-dhùnidhean aice bhon obair a rinn i tron bhliadhna.

### **Dleastanasan**

Bheir a' chomataidh comhairle dhan Bhòrd agus dhan Oifigear Chunntachail air:

- na pròiseasan airson rianachd chunnartan, smachd agus riaghladh agus air an aithris air riaghladh;



- na poileasaidhean cunntasachd, na cunntasan, agus aithisg bhliadhnail na buidhne, a' gabhail a-steach a' phròiseas airson lèirmheas a dhèanamh air na cunntasan mus tèid an cur chun an luchd-sgrùdaidh, na mearachdan a thèid a lorg, agus litir-dhearbhaidh an luchd-stiùiridh dhan luchd-sgrùdaidh bhon taobh a-muigh;
- na gnìomhan a tha fa-near dhan luchd in-sgrùdaidh agus dhan luchd-sgrùdaidh bhon taobh a-muigh agus toraidhean na h-obrach aca;
- iomchaidheachd freagairt an luchd-stiùiridh do chùisean a chaidh a chomharrachadh le obair sgrùdaidh, a' gabhail a-steach litir/aithisg riaghlaidh an luchd-sgrùdaidh bhon taobh a-muigh;
- èifeachdachd na h-àrainneachd smachd taobh a-staigh na buidhne;
- barantasan a thaobh riatanasan riaghladh corporra na buidhne;
- molaidhean airson seirbheisean in-sgrùdaidh a chur a-mach gu tairgse
- poileasaidhean an aghaidh foill, poileasaidhean an aghaidh brìbearachd, poileasaidh airson draghan fhoillseachadh, agus ullachaidhean airson sgrùdaidhean sònraichte.

Nì a' Chomataidh ath-bhreithneachadh agus nì e ceasnachadh air na rudan a leanas far a bheil sin a dhith:

- cunbhalachd nam poileasaidhean cunntasachd tron bhuidhinn air fad agus atharrachadh sam bith anns na poileasaidhean cunntasachd seo;
- na dòighean a thèid a chleachdadh airson cunntas a thoirt air gnothaichean cudromach no neo-àbhaisteach far am faodadh diofar dhòighean-obrach a bhith ann;
- co-dhiù a tha a' bhuidheann air ìrean cunntasachd iomchaidh a leantainn agus air tuairmsean agus breithneachaidhean iomchaidh a dhèanamh, agus iad a' toirt fa-near do bheachdan an luchd in-sgrùdaidh agus an luchd-sgrùdaidh bhon taobh a-muigh.

Nì a' Chomataidh Sgrùdaidh is Dearbhachd ath-sgrùdadh gach bliadhna air an èifeachdas fhèin agus bheir iad cunntas air toraidhean an ath-sgrùdaidh sin dhan Bhòrd agus dhan Oifigear Chunntachail. Beachdaichidh Cathraiche na Comataidh air ath-sgrùdadh sam bith air Ballrachd le Cathraiche a' Bhùird.

## **Còraichean**

Faodaidh a' chomataidh:

- buill a bharrachd a cho-thaghadh gus sgilean, fios agus eòlas sònraichte a thoirt dhan bhuidhinn;
- comhairle shònraichte fhaighinn air stèidh ad-hoc agus sin air a phàigheadh leis a' bhuidhinn, le ùmhlachd do chead buidseit bhon Bhòrd no bhon Oifigear Chunntachail.

### **Ruigsinneachd**

Bidh cothrom aig an Neach In-sgrùdaidh agus aig riochdaire bhon luchd-sgrùdaidh bhon taobh a-muigh bruidhinn ri Cathraiche na Comataidh gu saor agus gu dìomhair

### **Coinneamhan**

Is iad seo na dòighean-obrach airson choinneamhan:

- coinnichidh a' chomataidh co-dhiù ceithir tursan sa bhliadhna, gu h-àbhaisteach gach trì mìosan. Bidh seo a' tachairt gu àbhaisteach ro choinneamh a' bhùird - stiùiridh, le ùine gu leòr son pàipearan a dhol air adhart do choinneamh a' bhùird-stiùiridh a' leantainn air coinneamh a' chomataidh. Faodaidh Cathraiche na Comataidh coinneamhan a bharrachd a chur air dòigh nuair a bhios seo iomchaidh na b(h)eachd.
- feumaidh dithis bhall den chomataidh aig a' char as lugha a bhith an làthair aig coinneamh airson cuòram.
- mar as trice, bidh an t-Oifigear Cunntachail, Ceann an Ionmhais is Chùisean Corporra, an Neach In-sgrùdaidh, agus riochdaire bhon Luchd-sgrùdaidh bhon Taobh A- muigh an làthair aig coinneamhan comataidh.
- faodaidh a' chomataidh iarraidh air oifigear sam bith eile aig a' bhuidhinn a bhith an làthair gus cuideachadh leis na còmhraidhean aca air cùis shònraichte sam bith;
- faodaidh a' chomataidh iarraidh air duine sam bith no a h-uile duine a bhios mar as trice a' frithealadh coinneamhan na comataidh, ach nach eil nam buill, a' choinneamh fhàgail gus an gabh cùisean sònraichte a dheasbad ann an dòigh fhosgailte is fhosgarra;
- dh'fhaodte gun iarr am Bòrd no an t-Oifigear Cunntachail air a' chomataidh coinneamhan a bharrachd a chur air dòigh gus beachdachadh air cuspairean sònraichte air a bheil iad ag iarraidh beachdan na comataidh.

### **Riatanasan fiosrachaidh**

Airson gach coinneamh, thèid na leanas a thoirt dhan chomataidh:

- aithisg le geàrr-chunntas air atharrachadh susbainteach sam bith ann an Clàr-chunnartan na

buidhne;

- aithisg adhartais bhon Neach In-sgrùdaidh a' toirt geàrr- chunntas air:
  - obair a rinneadh (agus coimeas ris an obair a bha air a planadh);
- prìomh cheistean ag èirigh às an obair In-sgrùdaidh;
- freagairt an luchd-stiùiridh do mholadh sgrùdaidh sam bith;
  - atharrachaidhean susbainteach air a' phlana sgrùdaidh;
  - ceist sam bith a thaobh stòrasan a tha a' toirt buaidh air lìbhrigeadh amasan in-sgrùdaidh;
- aithisg adhartais bhon riochdaire bhon Luchd-sgrùdaidh bhon Taobh A-muigh a tha a' toirt geàrr-chunntas air obair a rinneadh agus air na co-dhùnidhean a tha a' tighinn am bàrr.

Nuair a bhios e iomchaidh, thèid na rudan a leanas a thoirt dhan comataidh cuideachd:

- aithisgean le fios as ùr air obair na buidhne bhon Oifigear Chunntachail;
- am Plana In-sgrùdaidh bliadhnail a tha a' mìneachadh nam Bun-riaghailtean agus na Ro-innleachd
- Beachd agus Aithisg Bhliadhnail an Neach In-sgrùdaidh;
- aithisgean dearbhachd càileachd air obair In-sgrùdaidh;
- dreachd de chunntasan na buidhne;
- an dreachd den aithris air riaghladh;
- aithisg air atharrachadh sam bith air poileasaidhean cunntasachd;
- An litir/aithisg stiùiridh aig an Luchd-sgrùdaidh bhon Taobh A-muigh;
- aithisg air moladh sam bith gus seirbheisean sgrùdaidh a chur a-mach gu tairgse;
- aithisg air co-obrachadh eadar an Neach In-sgrùdaidh is an Luchd-sgrùdaidh bhon Taobh A-muigh;
- aithisg air na pròiseasan an aghaidh foill agus brìbearachd agus air mar a thathar a' coileanadh nam pròiseasan sin;
- Sgrùdadh agus Aithris Luach as Fheàrr
- aithisgean bho thùsan eile taobh a-staigh nan “trì loidhnichean dearbhachd” anns an Fhrèam Dearbhachd aig Bòrd na Gàidhlig

## **AUDIT AND ASSURANCE COMMITTEE**

### **TERMS OF REFERENCE**

The Board has established an Audit and Assurance Committee as a Committee of the Board to support it in their responsibilities for issues of risk management, control and governance and associated assurance through a process of scrutiny, review and constructive challenge.

### **Membership**

- The members of the committee are Board Members: Stewart MacLeod, ~~Jennifer Gilmour~~, Rob Dunbar and Donald MacPhee; and co-opted Member Rob MacKinnon.
- The committee will be Chaired by Stewart MacLeod
- Members of the committee will be appointed for a term of 2-years, which can be renewed on a rolling basis. The co-opted Member will be appointed for a term of 1 year.
- Renewal will be agreed with the Chair of the Board as part of the members annual review process.
- The committee will be provided with a secretariat function by the Head of Finance and Corporate Affairs.
- If a member is absent, without reasonable justification, from meetings of the committee for a period of longer than 4 months or for 3 consecutive meetings and has not been given leave by the chair to do so, the committee will advise the Board.

### **Reporting**

- The committee will formally report in writing to the Board and Accountable Officer after each meeting. A copy of minutes of the meeting will usually form the basis of the report.
- The committee will provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

### **Responsibilities**

The committee will advise the Board and Accountable Officer on:

- the strategic processes for risk management, control and governance and the governance statement;
- the accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- the planned activity and results of both internal and external audit;

- the adequacy of management response to issues identified by audit activity, including external audit's management letter/report;
- the effectiveness of the internal control environment;
- assurances relating to the corporate governance requirements for the organisation;
- proposals for tendering for internal audit services
- anti-fraud policies, anti-bribery policies, whistleblowing policy, and arrangements for special investigations.

The Committee shall review and challenge where necessary:

- the consistency of, and any changes to, accounting policies across the organisation;
- the methods used to account for significant or unusual transactions where different approaches are possible;
- whether the organisation has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the internal and external auditors.

The Audit and Assurance Committee will also annually review its own effectiveness and report the results of that review to the Board and Accountable Officer. The Chair of the Committee will consider any review of Membership with the Chair of the Board.

### **Rights**

The committee may:

- co-opt additional members to provide specialist skills, knowledge and experience; procure specialist ad-hoc advice at the expense of the organisation, subject to budgetary approval by the Board or Accountable Officer

### **Access**

The Internal Auditor and the representative of External Audit will have free and confidential access to the Chair of the Committee.

### **Meetings**

The procedures for meetings are:

- the committee will meet at least four times a year, broadly every three months. This will normally precede board meetings with sufficient time intervals for papers from the committee to be presented to the following board meeting. The Chair of the Committee may convene additional meetings, as he/she deems necessary;
- a minimum of two members of the committee will be present for the meeting to be deemed quorate;
- committee meetings will normally be attended by the Accountable Officer, the Head of Finance and Corporate Affairs, the Internal Auditor, and a representative of External Audit
- the committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter;
- the committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters;
- the Board or Accountable Officer may ask the committee to convene further meetings to discuss particular issues on which they want the committee's advice.

### **Information requirements**

For each meeting the committee will be provided with:

- a report summarising any significant changes to the organisation's Risk Register;
- a progress report from the Internal Auditor summarising:
  - work performed (and a comparison with work planned);
  - key issues emerging from Internal Audit work; management response to audit recommendations;
  - significant changes to the audit plan;
  - any resourcing issues affecting the delivery of Internal Audit objectives;
- a progress report from the External Audit representative summarising work done and emerging findings.

As and when appropriate, the committee will also be provided with:

- business update reports from the Accountable Officer;
- the annual Internal Audit Plan detailing Terms of Reference and Strategy

- the Internal Auditor's Annual Opinion and Report;
- quality assurance reports on the Internal Audit function;
- the draft accounts of the organisation;
- the draft governance statement;
- a report on any changes to accounting policies;
- External Audit's management letter/report;
- a report on any proposals to tender for audit functions;
- a report on co-operation between Internal and External Audit;
- a report on the anti-fraud and anti-bribery arrangements and performance;
- a Best Value Statement and review;

reports from other sources within the "three lines of assurance" in Bòrd na Gàidhlig's Assurance Framework

<b>Meeting:</b>	Audit and Assurance Committee
<b>Date:</b>	20 May 2025
<b>Title:</b>	Audit and Assurance Committee Work Plan 2025/26
<b>Action Required:</b>	For Decision
<b>Paper number:</b>	4.4
<b>Spokesperson:</b>	Nicola Pearson
<b>Appendices:</b>	PT1 Work Plan 2025/26

## **1. Purpose**

- 1.1.** In The purpose of this report is to provide the Audit and Assurance Committee with a work plan which sets out the key issues that the Committee needs to consider as part of its work program for the year.
- 1.2.** The paper is in English as it is presented by the Head of Finance and Corporate Affairs.

## **2. Background/Main points**

- 2.1. Both Committees and the Board of BnG have a work program. They are useful in planning and ensuring that relevant and regular topics are presented throughout the year.
- 2.2. The 2025/26 workplan was approved in February 2025.
- 2.3. The Plan covers the Committee's annual cycle. The plan is reviewed at each meeting to ensure it is complete or where there are deviations, these are monitored.

## **3. Recommendation**

- 3.1. The Committee are requested to:
  - Make recommendations for changes as viewed as appropriate
  - Approve the work plan

## **4. Main Strategic Impacts**

- 4.1. Impact on Finance: The work plans do not have a financial impact but do ensure that financial matters are properly scrutinised by the Committee.
- 4.2. Impact on Staff: The workplans provide a guide to officers as to work to be developed during the year.
- 4.3. Impact on Training: N/A
- 4.4. Links to Corporate Aims: Our work informs and influences Gaelic development and policies which impact on Gaelic.
- 4.5. Impacts on Reputation: The work plans ensure that the Committee fulfils its responsibilities; this has a positive impact on the organisation's reputation.
- 4.6. Impacts on Health and Safety: N/A



4.7. Legal Impacts: The work plans ensure that the Committee fulfils its statutory responsibilities.

4.8. Impacts on Equality: N/A

4.9. Impacts on the Environment: N/A

## 5. Links to the National Performance Framework

Human Rights	<input type="checkbox"/>	Children and Young People	<input type="checkbox"/>
Culture	<input type="checkbox"/>	Communities	<input type="checkbox"/>
Environment	<input type="checkbox"/>	Poverty	<input type="checkbox"/>
Health	<input type="checkbox"/>	International	<input type="checkbox"/>
Learning	<input type="checkbox"/>	Economy	<input type="checkbox"/>
Successful Innovative Businesses	<input checked="" type="checkbox"/>		

## 6. Governance Route

N/A

## 7. Confirmation of Circulation of Document

7.1. This is an open paper.

A' Chomataidh Sgrùdaidh is Dearbhachd (CSD) Plana Obrach 2025/26		Cèitean 20/05/2025	Sultain 23/09/2025	Samhain 25/11/2025	Gearran 24/02/2026
Puingean Stèidhichte					
Cùisean Tòiseachaidh / Fàilte	Introduction / Welcome	✓	✓	✓	✓
Nochdadh Com-pàirt	Declarations of Interest	✓	✓	✓	✓
Geàrr-chunntas	Minutes	✓	✓	✓	✓
Clàr-gnìomhan	Actions log	✓	✓	✓	✓
Co-dhùnaidhean eadar coinneamhan	Decisions between meetings	✓	✓	✓	✓
Rianachd Mhi-chinntean	Risk Management	✓	✓	✓	✓
Inbhe Molaidhean Sgrùdadh	Status of Audit Recommendations	✓	✓	✓	✓
Plana-obrach	Workplan	✓	✓	✓	✓
Aithisgean In-sgrùdaidh					
Rola-pàighidh agus cosgaisean	Payroll and Expenses	✓			
Buidhnean Taobh a-muigh - Stiùireadh Coileanaidh	External Organisations - Performance Management	✓			
Aithisg Bhliadhnail In-sgrùdadh	Internal Audit Annual Report	✓			
Leanmhainn	Follow Up Review	✓			
Aithiriseadh air Ionmhais agus a' Bhuidseid	Budgetary and Financial Reporting			✓	
Tèarainteachd Dhidsiteach	Cyber Security			✓	
Tabhartasan do Bhuidhnean Gàidhlig	Grants to Gaelic Organisations				✓
Stiùireadh Coileanadh Luchd-obrach	Employee Performance Management				✓
Dealbhaidh Ro-innleachdail	Strategic Planning				✓
Riaghladh agus Rianachd Mhi-chinntean	Governance and Risk Management (May 25)				
Buidhnean Taobh a-muigh - Stiùireadh Coileanaidh	External Organisations - Performance Management (May 25)				
Puingean Cunbhalach Bliadhnail					
Plana Sgrùdadh Bliadhnail In-sgrùdaidh	Internal Audit, Annual Audit Plan	✓			
Plana Sgrùdadh Bliadhnail Taobh a-muigh	External Audit, Annual Audit Plan				✓
Aithisg Sgrùdadh Bliadhnail Taobh a-muigh	External Audit, Annual Audit Report		✓		
Dreachdan den Aithisg Bhliadhnail is na Cunntasan	Annual Report & Accounts		✓		
Aithisg Bliadhnail na CSRC don Bhòrd-stiùiridh	AAC Annual Report to the Board	✓			
Ath-sgrùdadh Bliadhnail air na Bun-Riaghailtean	Review of the Terms of Reference	✓			
Sgrùdadh Fhein Bliadhnail air Èifeachdas na Comataidh Sgrùdaidh	Self assessment of Audit Committee Effectiveness				✓
Aithisg Dion Dàta	Data Protection Report	✓		✓	
Aithris Luach as Fheàrr	Best Value Statement	✓			
Sgrùdadh Luach as Fheàrr	Best Value Review				✓
Aithisg Foill	Fraud Report		✓		
Aithisg air Tèarainteachd Dhidsiteach	Cyber Resilience Report				✓
Ro-innleachd Rianachd Mhi-chinntean	Risk Management Strategy	✓			
Puingean eile					
Sgrùdadh Bliadhnail air Èifeachdas na Comataidh Sgrùdaidh is tràenadh ('25)	Review of Audit Committee Effectiveness and Training (external 3 yearly due'25)			✓	