

*****Prepare on client letterhead*****

Grant Thornton UK LLP
FAO Joanne Brown
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Glasgow
G1 3BX

26 September 2019

Dear Sirs

Care Inspectorate

Financial Statements for the year ended 31 March 2019

This representation letter is provided in connection with the audit of the financial statements of Care Inspectorate for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with International Financial Reporting Standards and the Scottish Public Finance Manual (SPFM) as set out in the 2018/19 FReM.

I confirm that to the best of my knowledge and belief having made such inquiries as I considered necessary for the purpose of appropriately informing myself as Accountable officer:

Financial Statements

- i As Accountable Officer, I have fulfilled my responsibilities under the Public Finance and Accountability (Scotland) Act 2000 for the preparation of the financial statements in accordance with the Financial Reporting Manual (FReM) 2018/19 and International Financial Reporting Standards which give a true and fair view in accordance therewith.
- ii I have complied with the requirements of all statutory directions affecting Care Inspectorate and these matters have been appropriately reflected and disclosed in the financial statements.
- iii Care Inspectorate has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of Scottish Ministers or other regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

- iv I acknowledge my responsibility as Accountable Officer for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v Significant assumptions used by the Care Inspectorate in making accounting estimates, including those measured at fair value, are reasonable.
- vi I am satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with International Financial Reporting Standards and the FReM, and adequately disclosed in the financial statements. There are no other material judgements that need to be disclosed.
- vii Except as disclosed in the financial statements:
 - a there are no unrecorded liabilities, actual or contingent
 - b none of the assets of Care Inspectorate has been assigned, pledged or mortgaged
 - c there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the FReM.
- ix All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the FReM requires adjustment or disclosure have been adjusted or disclosed.
- x I have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Annual Report to the Board and the Auditor General for Scotland. The financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
- xi Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the FReM.
- xii I have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiii I confirm that I am satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with my knowledge. I confirm that all settlements and curtailments have been identified and properly accounted for. I also confirm that all significant post-employment benefits have been identified and properly accounted for.
- xiv I confirm that certain grants have been permitted to be carried forward by the Scottish Government and relate to specific prescribed uses.
- xv I confirm that the financial statements have been properly considered and approved by the Board and signed by myself as the Accountable Officer.

Information Provided

- xvi I have provided you with:
 - a. access to all information of which I am aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b. additional information that you have requested from the Care Inspectorate for the purpose of your audit; and
 - c. unrestricted access to persons within the Care Inspectorate from whom you determined it necessary to obtain audit evidence.

- xvii I have communicated to you all deficiencies in internal control of which management is aware.

- xviii All transactions have been recorded in the accounting records and are reflected in the financial statements.

- xix I have disclosed to you the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- xx I have disclosed to you all my knowledge of fraud or suspected fraud affecting Care Inspectorate involving:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.

- xxi I have disclosed to you all my knowledge of any allegations of fraud, or suspected fraud, affecting Care Inspectorate's financial statements communicated by employees, former employees, regulators or others.

- xxii I have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

- xxiii I have disclosed to you the identity of all of Care Inspectorate's related parties and all the related party relationships and transactions of which I am aware.

- xxiv I have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Report

- xxv The disclosures within the Annual Report fairly reflect my understanding of Care Inspectorate's financial and operating performance over the period covered by the financial statements.

Performance Report and Accountability Report (including the Governance Statement)

xxvi I am satisfied that the Performance Report and Accountability Report (which includes the governance statement) fairly reflects Care Inspectorate’s risk assurance framework and I confirm that I am not aware of any significant risks that are not disclosed within the Performance Report and Accountability Report.

Approval

The approval of this letter of representation was minuted by the Care Inspectorate Board at its meeting on 26 September 2019, following approval by the Audit Committee on 12 September 2019.

Yours faithfully

Name.....

Position: Chief Executive as Accountable Officer

Name.....

Position: Board Chair

Date: 26 September 2019