

**MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD
HELD 17 DECEMBER 2025 – 10:30 – 11:35
VIA TEAMS**

Present**FSS Board**

Heather Kelman, Chair
Aileen Brown
Carol Evans
Phillip Couser
Christina Bichan
Paula Charlesworth

FSS Executive

Geoff Ogle, Chief Executive
Ian McWatt, Deputy Chief Executive
Garry McEwan, Head of Corporate Services
Kate Smith, Head of Comms and Marketing
Swapna Yama, Finance Manager
Joanne Smith, Board Secretary

External

Sandy Denholm, Manager Deloitte LLP
Sarah McGavin, Partner Deloitte LLP

1. Introduction, apologies for absence and declarations of conflict of interest

1.1 The Chair welcomed everyone to the extraordinary Food Standards Scotland Board meeting convened to sign off the Annual Report and Accounts (ARA) for 2024-25. No external stakeholders, with the exception of the external auditors, were present at the meeting.

1.2 Apologies were received from Alban Denton, Kate Richards and Christine Hill.

1.3 Board members declared no conflicts of interest.

2. Annual Report & Accounts 2024-25

The Chair invited Geoff Ogle, Chief Executive to introduce the team responsible for presenting the ARA for the year ended 31 March 2025.

2.1 Garry McEwan presented the cover paper highlighting the four key asks of the Board: review the audited ARA; request any explanations and assurances; note the audit outcome and approve the audit.

2.2 The Board heard about two misstatements identified by Deloitte; a judgemental misstatement related to pension valuation and a disclosure misstatement. An extract of an email from Sarah McGavin was read out which provides comfort regarding the judgemental misstatement, and clarifies that FSS's methodology was consistent, and not wrong, however Deloitte considered their method more valid.

2.3 The Chair invited questions from the Board and following discussion and reiteration of the importance of avoiding volatility in the accounts, Sarah agreed to revise the wording used to describe the misstatement so as to reflect the

judgemental nature more clearly. It was noted that this was an issue of interpretation and going forward it would be helpful to be clear on the reporting requirements to ensure FSS were able to provide the information required by the auditors.

2.4 Geoff referred the Board to the Chief Executive Statement at Annex A, summarising the performance report, accountability report and financial statements. Key achievements and areas of performance, such as digital innovation, scientific leadership, public health advocacy, industry recognition, consumer insight, strategic influence and organisational development were highlighted.

2.5 He confirmed that following the completion of outstanding matters, Deloitte expects to issue an unmodified audit report.

2.4 He thanked Deloitte, the ARC Chair and ARC members, Anna Skowron, and the finance team for all their work on the ARA.

3. Deloitte Annual Audit Report

3.1 The Chair introduced Sarah McGavin Partner Deloitte and Sandy Denholm, Manager Deloitte to present their report on the annual audit. Key points were summarised, and the earlier discussion regarding misstatements acknowledged.

3.2 Deloitte accept full responsibility for the delays, difficulties and protracted timescale in concluding the audit and acknowledged there were no failings on the part of FSS

3.3 Heather thanked Deloitte for their work and accepted the report, noting the importance of the amendments.

4. ARC Draft Annual Statement of Assurance

4.1 The Chair invited Aileen Brown, Chair of the Audit and Risk Committee (ARC), to present the draft annual ARC Statement of Assurance to the Board. Aileen commented that the statement complements the report given to the FSS Board following each ARC meeting, and the ARC Annual Report to the Board, and draws together the recommendations of the ARC to the Board.

4.2 Aileen noted the need to manage the risk of auditors not delivering to timetable and outlined plans to address this through the risk management process.

4.3 The ARC is content to recommend the Board approve the Annual Report and Accounts for 2024-25 subject to the vocabulary change discussed earlier, based on:

- assurance provided through reports presented to it through the year by internal audit and by ARC scrutiny of reports from the executive on several matters, including risk management and the internal controls assurance framework.
- the substantial annual assurance opinion for 2024-25 of FSS internal auditors, the Scottish Government Directorate of Internal Audit and Assurance in

regard of FSS audits and their reasonable assurance opinion regarding the SG shared services on which FSS depends.

- the overarching assurance statement in relation to audits required under Article 6 of Regulation (EU) 2017/625 provided by the FSS Head of Audit and Assurance.
- the draft Annual Audit Report from our external auditors
- its own and the Board's scrutiny of the content of the draft ARA.

4.4 The Chair invited questions from the Board, there were none.

4.5 The Chair thanked the Audit and Risk Committee for their work and acknowledged challenges faced during the audit process.

5. Approval of Annual Report and Accounts for 2024-25

5.1 The Board were asked to approve the ARA for 2024-25 by way of a showing of hands and these were unanimously approved following Deloitte's agreement to change vocabulary as agreed. It was agreed to progress the accounts for laying in parliament before the deadline of 18 December 2025.

5.2 Heather acknowledged another successful year for Food Standards Scotland and passed on her thanks to both internal teams and Deloitte for completing the audit process. Particular thanks were noted for Diane Strachan who delayed her departure date from FSS to accommodate the ARA.

6. Questions from Public

6.1 There were no other questions from the public and the meeting was closed.

Meeting ends

ANNEX A

Annual Report and Accounts 2024-25 – Board Meeting 17 December 2025

I would like to present the audited FSS Annual Report and Accounts for 2024/25 to the Board, so that members can review and subject to their consideration, approve the annual report and accounts and authorise their issue by myself as Chief Executive, and the FSS Accountable Officer.

The Board will be aware that the annual report and accounts have to be prepared in accordance with the Government Financial Reporting Manual (FReM) and to meet the requirements of Section 15 of the Food (Scotland) Act 2015 and the Accounts Direction given by Scottish Ministers.

As such, I believe I have fulfilled my responsibilities for the preparation of the 24/25 annual report and accounts with regards to both financial regularity and the organisations corporate governance arrangements.

All accounting records, documentation and other matters which I am aware are relevant to the preparation of the annual report and accounts have been made available to Deloitte for the purposes of their audit.

All transactions undertaken by Food Standards Scotland have been recorded in the accounting records and accurately reflected in the financial statements.

As a result, I can confirm that, in all material aspects, expenditure was incurred and income applied in accordance with the applicable enactments and guidance issued by the Scottish Ministers.

Additional details with regards to the production of the Annual Report and Accounts, and how I have met my specific responsibilities as Accountable Officer, are further explained in my letter of representation to Deloitte dated 17/12/25.

As such, Deloitte anticipate issuing an unqualified opinion following the Board's discussion at today's meeting.

The Board will be aware of the requirement for the annual report and accounts to consist of three separate sections:

- Performance Report
- Accountability Report
- Financial Statements

The Performance Report includes both a Summary and Analysis section and continues to report a consolidated view of our outcome reporting to the Board over the year, with the analysis section providing some additional detail on those, and other areas, of performance over the reporting period.

Overview

- Digital innovation: launch of the Shellfish Monitoring System (SMC), improving stakeholder engagement and operational efficiency.
- Scientific leadership: publication of shelf-life guidance and a peer-reviewed paper on outbreak investigations.
- Public health advocacy: messaging on ultra-processed foods and nutrition standards for early years settings.
- Industry recognition: meat Operations awarded silver accreditation by the British Veterinary Association.
- Consumer insight: research reports and seminars enhancing transparency on emerging food technologies.
- Strategic influence: co-hosting of the SEFARI event and joint publication of "Our Food 2023".
- Organisational development: completion of a data maturity assessment to support future transformation.

On embracing change and innovation, this year we

- advanced our digital transformation programme, notably through a standalone web development project. The near completion of the new FSS website marks a significant milestone in improving our transparency and accessibility for consumers and the food and feed sectors.
- continued investment in technology and data analytics has strengthened our ability to monitor food safety, anticipate risks, and respond swiftly to emerging challenges.

On strengthening food and feed safety standards, this year we

- published many important reports and risk assessments. This included the first review since 2010 of the diets of Scotland's children (age 2-15).
- published in January 2025 "Dietary Intake in Scotland's Children" which has been widely welcomed and referenced.

On our Strategy

- We are actively developing our FSS Strategy for 2026–2031, to be published in early 2026. This five-year strategy will be underpinned by annual delivery plans and aligned with the Food (Scotland) Act 2015.

The Accountability Report has remained largely the same in terms of content and format and continues to reflect the role and responsibilities of both the Chair and the Board and these sections are contained within the Corporate Governance Report.

The Financial Statements within the Annual Report are confirmation of our financial performance for 2024/25. The section on financial performance within the Performance Analysis section of the annual report outlines our financial outturn against budget. For the year ended 31 March 2025:

- Total resource expenditure was on budget at £23.3.
- AME expenditure at £0.1m was £0.4m under budget.
- FSS drew down £20.0m in cash terms to cover its capital and net operating costs.

Misstatement points

Towards the end of the audit Deloitte identified a judgemental misstatement and a disclosure misstatement above our reporting threshold of £28k. These are:

- FSS have recognised an asset cap in the year resulting in a surplus of £306k excluding unfunded liabilities, based on best practice Deloitte recommends restricting this cap to £50k. To note Deloitte have changed their approach this year, to align with best practice (which would restrict the surplus to £50k), while FSS was consistent with our actuary's view taken in previous years. FSS will take Deloitte's feedback on board for the next financial year and accept the misstatement due to the stage we are currently at with the ARA process.
- Cash flow statement: Purchase of property, plant and equipment and purchase of intangible assets. The impact of this is an overstatement of £101k in the net cash outflow from investing activities as the items were not paid for until after the year end. Due to the immaterial nature, FSS will not look to correct this.

The Annual Report and Accounts have also been reviewed by the Audit and Risk Committee (ARC) and recommend that the Board approve the Annual Report and Accounts and their issue by me as Chief Executive and the FSS Accountable Officer.

The Board are also asked to note the positive statements made by Deloitte in their Audit Report, which will be discussed later in the agenda.

Thanks to our auditors for their work over the past year.

I therefore ask that the Board consider the points raised at paragraph 1.4 within the cover paper and request that the Board approve the 2024/25 Annual Report and Accounts and authorise their issue to the Chief Executive and the FSS Accountable Officer.

Geoff Ogle
Chief Executive
Date: 17/12/2025