
7a Budget Matters, Draft Accounts for 2010/11 and Audit Scotland
Annual Audit Plan 2010/11

- Purpose of Report

The Board is required to consider the draft Statements for 2010/11 and to note the proposed plan submitted by Audit Scotland regarding audit arrangements for the 2010/11 audit. The Board is also given an update on the Partnership's 2011/12 budgets to alert them to any matters arising.

- Background

The plan for the 2010/11 audit process from Audit Scotland is attached as Appendix 1 to this report. This document sets out the respective responsibilities of those involved, the general approach to be taken by Audit Scotland, the reporting arrangements with a timetable for key outputs and a summary of major financial issues facing the Authority.

- Statement of Accounts 2010/11

The draft financial statements for 2010/11 are attached as Appendix 2 to this report. Members will note the statements are presented under the new International Financial Reporting Standards format. Appendix 3 provides the standard budget monitoring statement for the year to 31 March 2011 to allow the Board to better relate to the changes in the format of the Statements.

- 2011/12 Budgets

The Board approved draft Capital and Revenue Budgets for 2011/12 on 16 February 2011, subject to anticipated funding levels being confirmed. The 2011/12 Capital allocations to Nestrans from the Councils have now been confirmed as £1.411M from Aberdeen City Council and £1.172M from Aberdeenshire Council. This results in a £260K shortfall in comparison with the previously assumed funding. A cost benefit analysis has recently been completed for the A944 Wellgrove Road /Straik Road traffic signal installation in Westhill that had an approved budget of £270K. The costs have greatly increased for the scheme and as a result there is a poor benefit/cost ratio. It is therefore recommended that this project is no longer progressed and this will also address the reduction to the available 2011/12 Capital Budget.

- Recommendations

It is recommended that the Board:

- a) notes the Audit Scotland audit plan for 2010/11;
- b) considers the draft Financial Statements for 2010/11 and approves their issue to the Controller of Audit;

- c) notes the available 2011/12 Capital budget and agree to dropping the £270,000 A944 Wellgrove Road /Straik Road, Westhill project

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Treasurer

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