

Bòrd na Gàidhlig

Report on the 2008/09 audit

August 2009

The logo for Audit Scotland, featuring a stylized blue checkmark inside a circle.

AUDIT SCOTLAND

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Key messages

In 2008/09 we looked at the key strategic and financial risks being faced by Bòrd na Gàidhlig. We audited the financial statements and we also reviewed the use of resources and aspects of performance management and governance. This report sets out our key findings.

Financial statements

We have given an unqualified opinion on the financial statements of Bòrd na Gàidhlig for 2008/09. We have also concluded that in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with applicable enactments and relevant guidance, issued by Scottish Ministers.

Financial position and use of resources

Bòrd na Gàidhlig achieved a surplus of £0.033 million in 2008/09. This is the difference between the net cost for the year of £5.488 million and the funding received from the Scottish Government of £5.521 million. Bòrd na Gàidhlig operated within the budget limit set by the Scottish Government for operating expenditure.

Scottish Ministers have agreed a resource budget of £5.459 million for 2009/10. Bòrd na Gàidhlig is predicting a balanced budget for 2009/10.

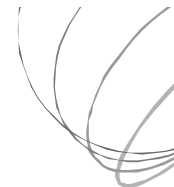
Bòrd na Gàidhlig has exceeded its target efficiency savings of £0.088 million for 2008/09, with efficiencies of £0.117 million being identified. Future efficiency savings are set at 2% per annum, as part of the budget settlement from the Scottish Government for the next two years. This equates to a savings target of £0.176 million in 2009/10. The Bòrd has recognised there are a number of risks inherent in the current delivery plan, including assumptions around recurring savings, and these will present a significant challenge to the Bòrd in achieving the target.

Governance and accountability

Corporate Governance is concerned with the structures and process for decision making, accountability, control and behaviour at the upper levels of an organisation. Overall the corporate governance and control arrangements for Bòrd na Gàidhlig operated satisfactorily during the year, as reflected in the Statement on Internal Control.

We examined the key financial systems which underpin the organisation's control environment. We concluded that financial systems and procedures operated sufficiently well to enable us to place reliance on them.

Following our review of compliance with procedures concerning conflicts of interest, the Bòrd intends to strengthen current governance arrangements by including a standing item on declaration of interests at the start of each committee or Bòrd agenda.



Performance

The corporate plan for 2009-2011 sets out the core strategic objectives for the Bòrd, and outlines thirty-four priority actions to deliver these objectives. However, once the proposed restructuring of the Bòrd takes place, the plan will be reviewed and refocused as required to reflect any revised delivery structure in the organisation.

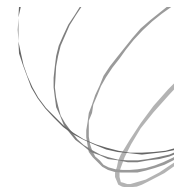
The Bòrd is still developing a robust framework to evaluate performance against stated outcome measures, as well as establishing baseline data. This framework and baseline data will be critical to the Bòrd demonstrating progress against actions set out in the corporate plan.

Looking forward

The final part of our report notes some key risk areas and issues for Bòrd na Gàidhlig going forward. We highlight a number of national issues which affect all public sector bodies, including the National Performance Framework and the impact of international financial reporting standards. Bòrd na Gàidhlig also faces significant financial pressure over the next two years to achieve financial balance, at the same time as implementing a revised organisational structure to support the delivery of its objectives. We will continue to monitor financial planning arrangements and the implementation of structural changes within Bòrd na Gàidhlig.

The assistance and co-operation given to us by Bòrd members and staff during our audit is gratefully acknowledged.

Audit Scotland
August 2009



Introduction

1. This report summarises the findings from our 2008/09 audit of Bòrd na Gàidhlig. The scope of the audit was set out in our Audit Plan, which was presented to the Audit Committee on 22 January 2009. This plan set out our views on the key business risks facing the organisation and described the work we planned to carry out on financial statements, performance and governance.
2. We have issued a range of reports this year, and we briefly touch on the key issues we raised in this report. Each report set out our detailed findings and recommendations and the Board's agreed response.
3. Best value duties apply across the public sector and, in central government, best value is a formal duty on all accountable officers. Audit Scotland has adopted a generic framework for the audit of best value across the public sector and throughout this report we comment on aspects of Bòrd na Gàidhlig's arrangements.

Exhibit 1: Framework for a best value audit of a public body





4. Our comments are made on the basis of information made available in the course of the annual audit. We do not make an overall best value judgement because we do not have enough evidence to conclude on all relevant areas. Our intention is to build up the corporate assessment over time. This report is the first step towards that goal.
5. Another building block for our assessment of best value is the national study programme carried out by Audit Scotland on behalf of both the Auditor General for Scotland and the Accounts Commission. We mention the key findings from all relevant reports, and the implications for Bòrd na Gàidhlig, throughout this report. Full copies of the study reports can be obtained from Audit Scotland's website, www.audit-scotland.gov.uk.
6. We would like to take this opportunity to express our appreciation for the assistance and co-operation provided by management and members of Bòrd na Gàidhlig during the course of our audit. This report will be submitted to the Auditor General for Scotland and will be published on our website.



Financial Statements

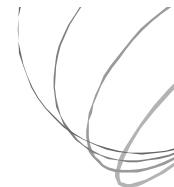
7. In this section we summarise key outcomes from our audit of Bòrd na Gàidhlig's financial statements for 2008/09 and the accounting issues faced. The financial statements are an essential means by which the organisation accounts for its stewardship of the resources available to it and its financial performance in the use of those resources.

Our responsibilities

8. We audit the financial statements and give an opinion on:
 - whether they give a true and fair view of the financial position of Bòrd na Gàidhlig and its expenditure and income for the period in question
 - whether they were prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements
 - the consistency of the information which comprises Management Commentary, Statutory Background, Principal Activities, Financial Performance, Capital Investments in Year, Gifts and Charitable Donations, Losses, Special Payments and Write Offs, Supplier Payment Policy, European Monetary Union, Appointment of Auditors, Corporate Governance, Conflict of Interest Procedures, Bòrd Members, Management Team, and Bòrd Committees within the financial statements
 - the regularity of the expenditure and receipts.
9. We also review the statement on internal control by:
 - considering the adequacy of the process put in place by the acting Ceannard as Accountable Officer to obtain assurances on systems of internal control
 - assessing whether disclosures in the statement are consistent with our knowledge of Bòrd na Gàidhlig.

Overall conclusion

10. We have given an unqualified opinion on the financial statements of Bòrd na Gàidhlig for 2008/09.
11. As agreed the unaudited accounts were provided to us on 30 April 2009, supported by a working paper package. We concluded our audit within the agreed timetable and provided our opinion to the Audit Committee on 10 June 2009 as timetabled.
12. The agreed timetable for preparation and sign-off of the financial statements has been advanced from that of the prior year. Looking forward to the 2009/10 financial year, the introduction of International



Financial Reporting Standards (IFRS) will increase the demands on officers in the preparation of a good quality working papers package, and is likely to require an earlier focus on the financial statements.

Issues arising from the audit

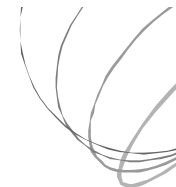
13. As required by auditing standards we reported to the Audit Committee on 10 June 2009 the main issues arising from our audit of the financial statements. The key issue was as follows:
14. **Transactions involving Bòrd members** – In 2008/09, grants paid out to other organisations totalled £3.2 million. The majority of this grant expenditure was paid to organisations where Bòrd members have a declared interest. The Companies Act requires disclosure in the financial statements of transactions with directors and persons connected with directors. In a public sector context, this means persons in senior positions having authority or responsibility for directing or controlling the major activities of the organisation.
15. Although the draft financial statements included voluntary disclosure of approvals made during the year to organisations where Bòrd members had a declared interest, the signed version has been updated to include details of actual expenditure to comply with Companies Act requirements. Disclosures have also been expanded to record the nature of grants, and the relationship between the organisations and Bòrd members.

Regularity

16. The Public Finance and Accountability (Scotland) Act 2000 imposes a responsibility on auditors that requires us to certify that, in all material respects, the expenditure and receipts shown in the accounts were incurred or applied in accordance with applicable enactments and guidance issued by the Scottish Ministers. We have been able to address the requirements of the regularity assertion through a range of procedures, including written assurances from the Accountable Officer as to her view on adherence to enactments and guidance. No significant issues were identified for disclosure.

International financial reporting standards (IFRS)

17. As announced by the Chancellor in the 2008 Budget report on 12 March 2008 (Budget report paragraph C103), Government departments and other public sector bodies will report using International Financial Reporting Standards (IFRS) from 2009/10. The Scottish Government announced on 25 April 2008 that all Scottish Government Departments, Executive Agencies, Health Bodies and Non-Departmental Public Bodies would be required to produce shadow IFRS based accounts for financial year 2008/09. This was to include a restated balance sheet as at 1 April 2008.



18. In terms of the audit of the IFRS opening balance sheet at 1 April 2008, there were two key dates to achieve as outlined below:
- **28 November 2008** – opening 2008 IFRS-based balance sheet were to be presented to auditors for dry-run audit
 - **28 February 2009** – dry-run audit of opening balances was to be completed, resulting in a letter to management highlighting the work done, auditors' findings and areas for further work.
19. The opening balance sheet and supporting documentation were submitted by Bòrd na Gàidhlig for audit review by the deadline date of 28 November 2008. The restated balance sheet and supporting working papers were comprehensive.
20. We made some recommendations for the delivery of the next stage of IFRS reporting – the production of the shadow accounts for 2008/09, and will consider progress on these when we review the shadow accounts later in 2009. These included:
- **Annual leave accrual** – IFRS specifically require accounts to include the level of untaken leave at the financial year end. The Scottish Government application notes include a template on how to calculate this accrual. Bòrd na Gàidhlig should progress work in this area.
 - **Partners** – At the time of audit, work was ongoing to review the funding arrangements that the Bòrd had entered into with partner organisations to ensure that these had not resulted in a subsidiary, associate or joint venture relationship being created. Such relationships would require adjustments to the balance sheet restatement. The Bòrd completed this exercise in June 2009, and concluded that no such relationships had been created.



Use of Resources

21. Sound management and use of resources (people, money and assets) to deliver strategic objectives is a key feature of best value. This section sets out our main findings from our review of Bòrd na Gàidhlig.

Financial Position

Outturn 2008/09

22. Bòrd na Gàidhlig is required to work within its resource budget set by the Scottish Government. Bòrd na Gàidhlig is expected to ensure that, taking one year with another, income from Grant in Aid and charging schemes, equals expenditure. For 2008/09 Bòrd na Gàidhlig had a surplus of £0.033 million. This is the difference between the net cost for the year of £5.488 million and the funding received from the Scottish Government of £5.521 million.
23. Bòrd na Gàidhlig's balance sheet at 31 March 2009 shows net liabilities of £0.016 million (2007/08 net assets of £0.129 million). The movement is mainly caused by the pension liability, which has increased by £0.178 million. This movement is due to actuarial losses, which reflect changes in actuarial assumptions since the last actuarial valuation of the pension fund.
24. Bòrd na Gàidhlig operated within the total resource budget limit set by the Scottish Government – see exhibit 2 below. Approval was obtained for specific allocation variances.

Exhibit 2 – Performance against resource budget 2008/09 (£ million)

	Budget	Actual Outturn	Difference
Core running costs	1.212	1.105	(0.107)
Gaelic development	2.909	3.098	0.189
Gaelic language plans implementation	1.400	1.274	(0.126)
Total	5.521	5.477	(0.44)

Financial sustainability and the 2009/10 budget

25. Scottish Ministers have agreed a resource budget for Bòrd na Gàidhlig of £5.459 million for 2009/10. This comprises £1.1 million running costs, £2.9 million for Gaelic development, £1.4 million for Gaelic language plans implementation and £0.05 million to cover the costs of employing a Gaelic teacher recruitment officer.
26. Bòrd na Gàidhlig is expected to achieve 2% of efficiency savings per year from 2009/10 to 2010/11. The majority of spend by the Bòrd is grant awards to third parties to promote and develop Gaelic



language and culture. Consequently, in addition to identifying internally generated savings, the Bòrd needs to consider the value for money provided by partners and work with them on identifying potential efficiencies in their service delivery. This is currently being achieved through leverage gains, where activities funded by Bòrd na Gàidhlig are also attracting funding from other sources.

National Studies

27. Audit Scotland published two national studies relevant to Bòrd na Gàidhlig use of resources. These were use of consultancy services and improving energy efficiency.

Use of consultancy services

28. The overall aim of the study was to review central government's use of consultancy services and to make recommendations to improve the public sector's use of consultants' knowledge, skills and resources to help deliver new services and initiatives quickly and expertly. The key findings were as follows:

- The public sector is strengthening the way it buys goods and services
- Central government does not have a clear strategy for its use of consultants or for linking use to its priorities or financial and workforce plans
- In most cases, central government buys consultancy services well but some improvements can be made
- Central government could improve how it manages consultancy projects through more consistent and formal evaluation of consultants' work and learning more from them
- Central government could make savings of up to £13 million a year through better planning and buying of consultancy services.

29. The report made specific recommendations for public bodies:

- confirm they have clear processes for approving and recording the use of consultants and monitoring progress, and reinforce these as required
- plan their use of consultancy services when developing their forward work programme to ensure that consultants are used where their knowledge and skills bring greatest value for money
- always evaluate the option to use consultants against the option to use their own staff
- gather and share consistent information on the consultancy skills bought and why consultants are used
- improve the quality of their invitations to tender through better and earlier discussion with consultants about their consultancy needs



- increase the use of framework agreements where possible by ensuring that existing agreements are used and new ones developed as appropriate
- select and use the most economical competition routes by using framework agreements, restricted competitions and closed tendering approaches when appropriate
- evaluate the work of consultants more systematically and share findings from these reviews
- work closely with consultants to increase assurance on quality and make use of opportunities to learn from consultants and ensure knowledge transfer, where appropriate.

30. Although Bòrd na Gàidhlig's use of consultancy services is focused mainly on providing areas of corporate support, there are considerations specific to the Bòrd that may impact on value for money. One of the assessment criteria when procuring services is the use of Gaelic language by companies tendering to provide services. The importance of this criterion can vary depending on the services to be provided, but it could lead to a restricted market of service suppliers. The Bòrd needs to ensure that their processes for approving the use of consultants clearly document relevant considerations.

Improving energy efficiency

31. Audit Scotland assessed how councils, NHS bodies and central government bodies were improving energy efficiency in relation to buildings and transport use. This included examination of a range of issues including whether public bodies demonstrate commitment to improving energy efficiency; how public bodies are performing against their objectives and targets for improving energy efficiency; and if public bodies are delivering continuous improvement in this area.

- Funding has been made available by the Scottish Government and public bodies to improve energy efficiency. While energy consumption in buildings has fallen, spending on energy increased in the three years to 2006/07.
- There is a need for stronger leadership by the Scottish Government and within public bodies to improve energy efficiency and ensure that the necessary cultural and behavioural changes are made.
- A robust strategy is central to the coordination of activities to improve energy efficiency, however, there are inconsistencies in the quality of strategies being implemented
- There is a lack of formal monitoring and reporting of progress in improving energy efficiency by public bodies and the Scottish Government.

32. The Bòrd does not have a formal energy efficiency strategy. It occupies a relatively small office area in a new build construction, which limits the scope for achievement of significant efficiencies; however it does make regular use of teleconferencing arrangements to facilitate meetings, thereby reducing transportation use in the course of daily business.



Governance and Accountability

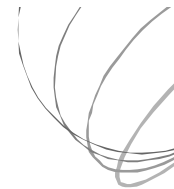
33. High standards of governance and accountability, with effective structures and processes to govern decision-making and balanced reporting of performance to the public, are fundamental features of best value. This section sets out our findings arising from a review of Bòrd na Gàidhlig's arrangements.
34. Increasingly services are being delivered across the public sector through partnership working, sometimes involving complex governance and accountability arrangements. Best value characteristics also include effective partnership working to deliver sustained improvements in outcomes.

Overview of arrangements

35. This year we reviewed:
 - key systems of internal control
 - internal audit
 - arrangements for the prevention and detection of fraud and irregularity, including standards of conduct.
36. Our overall conclusion is that arrangements within Bòrd na Gàidhlig are sound and have operated through 2008/09.

Systems of internal control

37. Key controls within systems should operate effectively and efficiently to accurately record financial transactions and prevent and detect fraud or error. This supports a robust internal control environment and the effective production of financial statements. In their annual report for 2008/09 TirArd MacKenzie, the internal auditors, provided their opinion that based on the internal audit work undertaken during the year, Bòrd na Gàidhlig generally has a satisfactory control framework in the systems reviewed, subject to sustaining progress in implementation of improvements identified during the year, and re-enforcement of compliance with policies and procedures when the proposed restructure takes place.
38. As part of our review of governance arrangements, we examined the Bòrd's compliance with its procedures for declaring conflicts of interest. The majority of Bòrd na Gàidhlig's work is facilitated by funding Gaelic organisations and other contractors to achieve specific strategic goals. The Gaelic community is relatively small, and consequently relationships exist between several of these bodies and Bòrd members. Following our review, the Bòrd intends to strengthen current governance



arrangements by including a standing item on declaration of interests at the start of each committee or Bòrd agenda, with meeting chairs reminded of the need to formally disclose declarations of interest as part of the meeting process.

39. As part of our audit we reviewed the high level controls in a number of Bòrd na Gàidhlig's systems that impact on the financial statements. This audit work covered a number of areas including main accounting, payment of creditors, payroll, income, and cash and bank. Our overall conclusion was that key controls were operating effectively and that Bòrd na Gàidhlig has adequate systems of internal control in place.

Statement on Internal Control

40. The Statement on Internal Control provided by Bòrd na Gàidhlig's Accountable Officer reflected the main findings from both external and internal audit work. This recorded management's responsibility for maintaining a sound system of internal control and set out Bòrd na Gàidhlig's approach to this. The statement recognises the ongoing work to embed risk management principles into the routine management process in the organisation, as well as the improvements made during the year in budget analyses and financial reporting to the Bòrd.

Internal Audit

41. The establishment and operation of an effective internal audit function forms a key element of effective governance and stewardship. We therefore seek to rely on the work of internal audit wherever possible and as part of our risk assessment and planning process for the 2008/09 audit we assessed whether we could place reliance on Bòrd na Gàidhlig's internal audit function. We concluded that TirArd MacKenzie operates in accordance with the Government Internal Audit Manual and therefore placed reliance on their work in number of areas during 2008/09, as we anticipated in our annual audit plan.

Prevention and detection of fraud and irregularities

42. Bòrd na Gàidhlig has appropriate arrangements in place to prevent and detect fraud, inappropriate conduct and corruption, including policies and codes of conduct for staff and Board members. As part of this process the Bòrd includes disclosures in the financial statements on related party transactions, and following our audit, these have been strengthened for 2008/09.

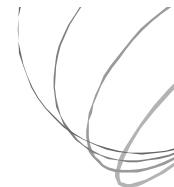


Performance

43. Public audit is more wide-ranging than in the private sector and covers the examination of, and reporting on, performance and value for money issues. Key features of best value include:
- setting a clear vision of what the organisation wants to achieve, backed up by plans and strategies to secure improvement, with resources aligned to support their delivery;
 - a performance management culture which is embedded throughout the organisation and a performance management framework which is comprehensive and supports the delivery of improved outcomes.
44. In this section we comment on:
- Bòrd na Gàidhlig's corporate plan
 - performance against targets
 - Bòrd na Gàidhlig's efficiency programme

Vision and strategic direction

45. Bòrd na Gàidhlig published its corporate plan for 2009 – 2011 in March 2009. The plan reflects the following core strategic objectives:
- Restoring the Gaelic language to a state of natural growth and usage in the home, community and public life
 - Increasing the numbers entering early years Gaelic medium education who progress through Gaelic medium primary and secondary education
 - Increasing the number of adult learners progressing to fluency
 - Increasing literacy among Gaelic speakers.
46. The Bòrd has identified a number of priority actions, based around the four language planning categories of acquisition, usage, status and corpus. Each action includes an assessment of key tasks required for the coming year, performance indicators, and anticipated outcomes, as well as a linkage to the national performance framework.
47. One of the stated primary objectives over the coming year is the effective implementation of the new organisational structure. The post of Ceannard has been filled by three different people over the past two years, and a permanent appointment has still to be made. The Chair of the Bòrd also stepped down in July 2008, with the interim Chair's appointment confirmed in February 2009. Consequently, progress in approving and implementing the structure has been slower than anticipated over the past



period. However, an interim senior support team has now been appointed to increase the capacity of the organisation to deliver its objectives, and to supervise planned changes in structure and operations. The team will be in place for up to nine months, at which point is anticipated the new structure will be in place.

48. As part of this process, the current corporate plan will be reviewed and refocused as necessary over the year to ensure it reflects any revised delivery structure in the organisation. We will continue to monitor developments in this area during our 2009/10 audit.

Performance overview

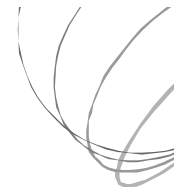
49. As noted, the corporate plan sets out a range of indicators and outcomes for the thirty-four priority actions identified. However, by their nature a number of these measures will be difficult to quantify, particularly in the shorter term, and a robust framework will need to be in place to evaluate performance against stated outcome measures. The Bòrd is currently working on developing a performance framework to support this process, including identifying data requirements from partner bodies to support the establishment of baseline data. This process will also be informed in the future by the results of the planned 2011 census. It is anticipated that the supporting framework will be in place during the 2009/10 financial year. We will continue to monitor progress in this area as part of the 2009/10 audit.

Risk management

50. The Bòrd's current risk management strategy was approved in March 2008. A corporate risk register has been developed and progress against actions is monitored on a regular basis by the Audit Committee. The register sets out a number of key risks for the Bòrd in delivering its objectives including:

- organisational performance is undermined by forthcoming census
- contract monitoring and evaluation arrangements fail to timeously identify non-performing grant funded organisations
- proposals and costs for the organisational restructure do not meet with Scottish Government approval
- failure to attract and recruit suitably skilled staff, which increases pressure on existing staff.

51. Several of the risk areas identified by the Bòrd are interlinked and will require careful management to resolve. We will continue to monitor the Bòrd's progress in managing its risks over the course of the next year.



Efficiency

52. As part of its efficiency plan submitted to Scottish Government, Bòrd na Gàidhlig had a target of £88,000 cash releasing efficiencies to be delivered in 2008/09. The Bòrd has reported savings of £117,000 for the financial year, exceeding its target, through efficiencies such as:
- EU match funding of the Bòrd's financial support to UHI Millennium Institute projects
 - leverage gains on Challenge Fund grant awards, where awards are generally less than 100% of project cost
 - graduate placement scheme, where graduates looking to enhance Gaelic language skills are placed in Gaelic working environments. The costs of employment during the period are shared with the companies and organisations taking part in the scheme
 - Collaborative research with other bodies, increasing the amount of research data obtained for the same level of costs
 - Increased use of electronic promotional material, reducing publication costs
 - Review of ICT support to identify tasks that can be carried out in-house, generating a cost saving.
53. The recurring savings identified in 2008/09 will contribute towards efficiencies over the coming years; however the Bòrd is required to identify a further 2% savings in 2009/10 in addition to these. The Bòrd is currently finalising the 2009/10 efficiencies plan. It has recognised there are a number of risks inherent in the assumptions around recurring savings, such as the continued delivery of projects with match funding and leverage gains to required quality and performance levels, and the new organisational structure having minimal impact on aspects of corporate support. The efficiencies delivery plan will require close monitoring to ensure targets are achieved. We will continue to monitor the Bòrd's financial position and actions taken to address delivery risks.



Looking Forward

54. Bòrd na Gàidhlig faces a number of challenges in 2009/10, which include:

- **Financial management and affordability** - The Scottish Parliament's Finance Committee recently published its report on the Scottish Government budget. The report noted that Scottish Government spending is set to decline in the next few years as UK public finances come under increasing pressure. Effective budget monitoring and reporting arrangements will be crucial to Bòrd na Gàidhlig achieving its targets within tighter funding settlements.
- **National Performance Framework** - The Scottish Government is continuing to develop its approach to performance management based on the National Performance Framework, an outcome-based approach that is publically reported on the Scottish Government's web site, along with local authority single outcome agreements. We will consider how Bòrd na Gàidhlig's work on developing its own performance framework integrates with the Scottish Government's approach as part of the 2009/10 audit.
- **Efficiencies and future funding** - Budgets for 2009/10 and the immediate future will need to be managed within a tighter funding regime. This includes no scope for the application of end of year flexibility for the Government with HM Treasury until the next Spending Review and the impact of the introduction of International Financial Reporting Standards (IFRS). Bòrd na Gàidhlig needs to find £0.176 million of savings in 2009/10 to meet target efficiencies.
- **Best Value** –The Bòrd has made progress in developing its approach to best value, approving a formal best value statement in March 2008, and undertaking a review of financial management arrangements during 2008/09. The corporate plan includes a commitment to continuous improvement across a number of areas of operation, including demonstration of best value. We will continue to monitor the Bòrd's arrangements for demonstrating best value as part of the 2009/10 audit.
- **IFRS**- The timetable for IFRS implementation requires that central government accounts in Scotland to become IFRS compliant with effect from the 2009/10 financial year. As part of the timetable for the implementation for IFRS, shadow accounts will require to be produced for 2008/09 for audit review by the end of November 2009. These processes will require significant resource to complete and it will be important that these issues are addressed early in 2009/2010.
- **Organisational structure** – the Bòrd continues work on implementing a new organisational structure to support the delivery of its objectives. A "root and branch" review was completed in 2008/09 and has resulted in a number of changes to governance structures and financial management processes. The Bòrd anticipates the revised structure will be approved and put in place by the end of 2009/10. We will continue to monitor progress in this area as part of the 2009/10 audit.