AUDIT SCOTLAND

Highlands and Islands Transport Partnership

2015/16 Annual audit report to Members and the Controller of Audit

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Key contacts

Maggie Bruce, Manager
mbruce@audit-scotland.gov.uk

Joni McBride, Senior Auditor
jmcbride@audit-scotland.gov.uk

Audit Scotland

3rd floor, Ballantyne House

84 Academy Street

Inverness

IV1 1LU

Telephone: 0131 625 1500

Website: www.audit-scotland.gov.uk

The Accounts Commission is a statutory body which appoints external auditors to Scottish local government bodies (www.audit-scotland.gov.uk/about/ac/). Audit Scotland is a statutory body which provides audit services to the Accounts Commission and the Auditor General (www.audit-scotland.gov.uk/about/).

Maggie Bruce is the engagement lead for the audit of Highlands and Islands Transport Partnership for the period 2011/12 to 2015/16.

This report has been prepared for the use of Highlands and Islands Transport Partnership and no responsibility to any member or officer in their individual capacity or any third party is accepted.

The information in this report may be used for the Accounts Commission's annual overview report on local authority audits published on its website and presented to the Local Government and Regeneration Committee of the Scottish Parliament.

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Key messages

Audit of financial statements	• The independent auditor's report on the 2015/16 financial statements is unqualified. • The financial statements have been prepared on the going concern basis. We are not aware of any events or conditions that may cast significant doubt on the Partnership's ability to continue as a going concern.
Financial management and sustainability	• The Partnership achieved a breakeven position. • The financial management arrangements are satisfactory for an organisation of its size. • The Partnership's financial position is currently sustainable. However the Partnership continues to face financial pressures from reduced revenue funding and reductions in capital spend by partner councils.
Governance and transparency	• The governance arrangements in place are appropriate to the organisation. • We placed reliance on internal audit's assessment that reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control systems. Our review of the council's new financial management. system identified some weaknesses in the controls in operation within the general ledger and accounts payable systems. • The Partnership could be more open and transparent by making agenda papers available on its website in advance of its meetings.
Best Value	• A refreshed Regional Transport Strategy, due to be completed by 31 March 2016, has yet to be submitted to members for approval. • Public performance reporting is undertaken through the Partnership's annual report.

Introduction

1. This report is a summary of the findings arising from the 2015/16 audit of Highlands and Islands Transport Partnership (the Partnership). The report is divided into sections which reflect our public sector audit model.

2. The management of the Partnership is responsible for:
   - preparing financial statements which give a true and fair view
   - implementing appropriate internal control systems
   - putting in place proper arrangements for the conduct of its affairs
   - ensuring that the financial position is soundly based.

3. Our responsibility, as the external auditor of the Partnership, is to undertake our audit in accordance with International Standards on Auditing, the principles contained in the Code of Audit Practice issued by Audit Scotland in May 2011 and the ethical standards issued by the Auditing Practices Board.

4. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. It is the auditor's responsibility to form and express an opinion on the financial statements; this does not relieve management of their responsibility for the preparation of financial statements which give a true and fair view.

5. The significant audit risks identified at the planning stage and how we addressed each risk in arriving at our opinion for financial statements is set out in Appendix I. Local and national reports issued during the year are summarised at Appendices II and III.

6. Appendix IV is an action plan setting out our recommendations to address the high level risks we have identified during the course of the audit. Officers have considered the issues and agreed to take the specific steps in the column headed "Management action/response". We recognise that not all risks can be eliminated or even minimised. What is important is that the Partnership Board understands its risks and has arrangements in place to manage these risks. Board members should ensure that they are satisfied with the proposed action and have a mechanism in place to assess progress and monitor outcomes.

7. We have included in this report only those matters that have come to our attention as a result of our normal audit procedures. Consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

8. The cooperation and assistance afforded to the audit team during the course of the audit is gratefully acknowledged.

9. 2015/16 is the final year of the current five year audit appointment. From 2016/17 the auditor of the Partnership will be Grant Thornton. In accordance with agreed protocols and International Standards on Auditing we will be liaising with the incoming auditors as part of this transition.

Audit of the 2015/16 financial statements

Audit opinion	• We have completed our audit of the Partnership and issued an independent auditor's report which is unqualified.
Going concern	• The financial statements of the Partnership have been prepared on the going concern basis. We are unaware of any events or conditions that may cast significant doubt on the Partnership's ability to continue as a going concern.
Other information	• We review and report on other information published with the financial statements, including the management commentary, annual governance statement and the remuneration report. We have nothing to report in respect of these statements.

Submission of financial statements for audit

10. We received the unaudited financial statements on 29 June 2016, nearly a fortnight after the date agreed as part of our planning process. The working papers were of a good standard. There were, however, significant delays in responding to audit queries which further delayed the audit process.

Overview of the scope of the audit of the financial statements

11. Information on the integrity and objectivity of the appointed auditor and audit staff, and the nature and scope of the audit, were outlined in our Annual Audit Plan presented to the Partnership Board on 15 April 2016.

12. As part of the requirement to provide full and fair disclosure of matters relating to our independence, we can confirm that we have not undertaken non-audit related services. The 2015/16 agreed fee for the audit was set out in the Annual Audit Plan and, as we did not carry out any work additional to our planned audit activity, the fee remains unchanged.

13. The concept of audit risk is of central importance to our audit approach. During the planning stage of our audit we identified a number of key audit risks which involved the highest level of judgement and impact on the financial statements and consequently had the greatest effect on the audit strategy, resources and effort. We set out in our Annual Audit Plan the audit work we proposed to undertake to secure appropriate levels of assurance. Appendix I sets out the significant audit risks identified during the course of the audit and how we addressed each risk in arriving at our opinion on the financial statements.

14. Our audit involved obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

Materiality

15. Materiality can be defined as the maximum amount by which auditors believe the financial statements could be misstated and still not be expected to affect the decisions of users of financial statements. A misstatement or omission, which would not normally be regarded as material by amount, may be important for other reasons (for example, an item contrary to law).

16. We consider materiality and its relationship with audit risk when planning the nature, timing and extent of our audit and conducting our audit programme. Specifically with regard to the financial statements, we assess the materiality of uncorrected misstatements, both individually and collectively.

17. We summarised our approach to materiality in our Annual Audit Plan. We revised our planning materiality for 2015/16 on receipt of the unaudited accounts to £22,270 (1% of gross expenditure of £2.227 million).

18. We also set a lower level, known as performance materiality, when defining our audit procedures. This is determined to ensure that uncorrected and undetected audit differences do not exceed our materiality level. Performance materiality was set at £15,589 (i.e. 70% of materiality).

19. We report all misstatements greater than £1,000.

Evaluation of misstatements

20. Management agreed to amend the financial statements for all of the monetary errors identified during the course of the audit (see paragraphs 25 and 26 for details) and for all of the presentational changes identified. The effect of these adjustments is to decrease the net cost of services included in the Comprehensive Income and Expenditure Statement (CIES) by £7,000, and decrease taxation and non-specific grant income by the same amount. There is no impact on the Net Liabilities reported in the Balance Sheet. Debtors, creditors and borrowings balances have, however, been amended.

21. We considered the level of misstatement identified, and whether we needed to revise our audit approach and undertake additional audit testing. We concluded that further testing was not required as we had identified the full extent of error within the debtors and creditors balances.

Significant findings from the audit

22. International Standard on Auditing 260 requires us to communicate to you significant findings from the audit, including:
    - the auditor's views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures
    - significant difficulties encountered during the audit
    - significant matters arising from the audit that were discussed, or subject to correspondence with management
    - written representations requested by the auditor
    - other matters which in the auditor's professional judgment, are significant to the oversight of the financial reporting process.

23. The following table details those issues or audit judgements that, in our view, require to be communicated to those charged with governance in accordance with ISA 260.

Table 1: Significant findings from the audit

Significant findings from the audit in accordance with ISA260

Going concern

24. Auditors are required to consider an organisation's ability to continue as a going concern when forming an opinion on the financial statements. One of the indicators that may give rise to going concern considerations is an excess of liabilities over assets. The Partnership is a member of The Highland Council Pension Fund which is a multi-employer defined benefit scheme. In accordance with the pension accounting standard IAS 19 (Retirement Benefits) the Partnership has recognised its share of the net liabilities for the pension fund in the balance sheet resulting in a net liabilities position (£0.682 million) on the balance sheet at the year end. This accounting requirement has no impact on the underlying basis for meeting current and on-going pension liabilities which will be met, as they fall due, by contributions from the constituent authorities. We agree with management's view that it is appropriate to prepare the 2015/16 annual accounts on the going concern basis.

Accounting for cut-off

25. Audit testing identified two instances where expenditure relating to 2016/17 had been incorrectly accounted for in the 2015/16 accounts. As a result, expenditure was overstated by £5,000, debtors were overstated by £16,000, creditors were overstated by £24,000 and borrowing was understated by £3,000 in the unaudited accounts. Officers have agreed to amend the 2015/16 audited accounts to correct for these misstatements.

26. Audit testing also identified three instances where creditors included accruals which related to 2016/17 and had been incorrectly accrued into 2015/16 and then included as a prepayment within the debtors balance. As a result, creditors and debtors were overstated by £5,000. Officers have agreed to amend the 2015/16 audited accounts for these misstatements

Action Plan No. 1

Future accounting and auditing developments

Code of Audit Practice

27. A new Code of Audit Practice will apply to all audits from financial years starting on or after 1 April 2016. It replaces the Code issued in May 2011 and outlines the objectives and principles to be followed by auditor. It is part of the overall framework for the conduct of public audit in Scotland.

28. The new Code increases the transparency of our work by making more audit reports available on Audit Scotland's website for all audited bodies. In addition to publishing all annual reports, annual audit plans and other significant audit outputs will be put on the website for all audited bodies. This is irrespective of whether the body meets in public or makes documents such as audit committee papers routinely available on its own website.

29. Also, under the new Code, appointed auditors are required to provide conclusions on the four dimensions of wider-scope public audit: financial sustainability; financial management; governance and transparency; and value for money.

Financial management and sustainability

Financial management

30. In this section we comment on the Partnership's financial outcomes and assess the Partnership's financial management arrangements.

31. The Partnership sets an annual budget to meet its service and other commitments for the forthcoming financial year. Regular monitoring of expenditure and income against agreed budgets is central to effective financial management.

Financial outcomes

32. The Partnership's original budget for 2015/16, approved in February 2015, was £1.763 million. During the year the Partnership received additional grants, including £0.755 million of Community Link Project grants, and carried forward unspent government grant from 2014/15 (£0.028 million), resulting in a revised budget of £2.859 million.

33. The Partnership's operating expenditure in 2015/16 was £2.177 million, an underspend of £0.682 million (24%) compared to the revised budget. Actual income was £0.675 million (24%) less than the revised budget, resulting in a £7,000 surplus for the year.

34. The net operating expenditure (£193,000) differs from the net cost of services disclosed in the comprehensive income and expenditure statement of £238,000 by £45,000. This is because reports prepared for the Partnership's monitoring purposes are prepared on a different basis from the accounting policies used in the financial statements. Note 12 to the accounts reconciles the figure in the budget monitoring report to the figures to the comprehensive income and expenditure statements. This shows that the majority of the difference is due to the cost of retirement benefits based on cash flows in the budget monitoring reports, but based on the current service costs of benefits accrued in the year within the accounts.

Financial management arrangements

35. As auditors, we need to consider whether bodies have established adequate financial management arrangements. We do this by considering a number of factors, including whether:

- the proper officer has sufficient status within the body to be able to deliver good financial management
- financial regulations are comprehensive and current
- reports monitoring performance against budgets are accurate and provided regularly to budget holders
- monitoring reports do not just contain financial data but are linked to information about performance
- members provide a good level of challenge and question budget holders on significant variances.

36. We reviewed the Partnership's financial regulations, which were revised in April 2016, and concluded that they are comprehensive. The financial regulations are available on the Partnership's website.

37. Financial monitoring reports are submitted to each meeting of the Partnership Board. Reports are comprehensive and well laid out. Significant variances from budget are explained in terms of impact on the year end position. We noted, however, that links between the high level budget monitoring reports and individual projects reported to members are not clear. As a result, members are unable to see how the budgeted expenditure per the revenue monitoring report ties into individual projects, and whether projects are being delivered within budget.

Action plan no. 2

Conclusion on financial management

38. We have concluded that the Partnership's financial management arrangements are satisfactory for an organisation of its size. More could be done, however, to link budget monitoring reports with individual projects.

Financial sustainability

39. Financial sustainability means that the Partnership has the capacity to meet the current and future needs of its communities. In assessing financial sustainability we are concerned with whether:

- there is an adequate level of reserves
- spending is being balanced with income in the short term
- long term financial pressures are understood and planned for
- investment in services and assets is effective.

40. Effective long-term financial planning, asset management and workforce planning are crucial to sustainability.

Reserves

41. The Partnership is required to achieve a break-even position year on year in accordance with the requirements of the Transport (Scotland) Act 2005 for Regional Transport Partnerships. The Act requires that the net expenses of a Transport Partnership for each year are paid by its constituent councils. As a result, the £7,000 surplus was returned to the constituent councils through a reduction in requisitions.

Financial planning

42. The Partnership set its 2016/17 budget in February 2016. Scottish Government Grant in Aid funding has continued for the period 2016/17 at the same level as awarded for 2015/16 at £0.523 million. Similarly, funding from the constituent councils has been maintained at 2015/16 levels at £0.200 million.

43. There is, therefore, a degree of financial stability in the short term but the Partnership continues to identify in its risk register the need to actively pursue other sources of finance to enable it to develop and deliver the Regional Transport Strategy.

Conclusion on financial sustainability

44. Overall the Partnership's financial position is currently sustainable. The Partnership continues to face significant financial pressures from reduced revenue funding and reductions in capital spend by partner councils as councils seek to make financial savings. The Partnership has, however, been successful in attracting additional external funding in recent years. For example the Scottish Government's Bus Investment Fund and the Community Link projects.

Governance and transparency

45. Members and management of the Partnership are responsible for establishing arrangements to ensure that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and for monitoring the adequacy and effectiveness of these arrangements.

Corporate governance

46. The Partnership has oversight of financial resources and received budget monitoring reports at each meeting. The Partnership Board comprises elected members from the five constituent authorities and three non-councillor members.

47. The Partnership's risk register is considered annually by the Board and covers risks in relation to:

- the regional transport strategy development and delivery
- the management and operation of the Partnership
- financial pressures.

Internal control

48. The Partnership's financial transactions are processed through The Highland Council's financial systems. Our review of the controls in operation within the council's new financial management system concluded that there were weaknesses within the controls in operation within the general ledger and accounts payable systems during 2015/16. These included lack of authorisation of journal entries processed by finance staff within the Treasurer's department and the failure to timeously reconcile the purchase ledger control account. We adopted a substantive approach to the audit of the Partnership's 2015/16 financial statements.

Internal audit

49. Internal audit provides members and management of the Partnership with independent assurance on risk management, internal control and corporate governance processes. We are required by international auditing standards to make an assessment of internal audit to determine the extent to which we can place reliance on its work. To avoid duplication, we place reliance on internal audit work where possible.

50. Our review of internal audit concluded that the Partnership's internal audit service operates in accordance with the majority of the Public Sector Internal Audit Standards. In order to achieve full compliance an external assessment is required to take place at least every five years. The Scottish Local Authorities Chief Internal Auditor's Group has developed a framework for this assessment and plans are in place for West Dunbartonshire Council to asses the council's internal audit service during 2016/17.

51. We placed formal reliance on the focused testing undertaken by internal audit to support the Audit and Risk Manager's opinion that '*reasonable assurance can be placed upon the adequacy and effectiveness of the Partnership's internal control systems for the year to 31 March 2016'.*

Arrangements for maintaining standards of conduct and the prevention and detection of fraud and corruption

52. Audited bodies are responsible for ensuring their affairs are managed in accordance with proper standards of conduct and for having proper arrangements in place for implementing and monitoring compliance with standards and codes of conduct, standing orders and financial instructions. Auditors consider whether bodies have adequate arrangements in place. In our opinion, the overall arrangements in place are satisfactory, although it should be noted that no system can eliminate the risk of fraud entirely.

Transparency

53. The public should be able to hold the Partnership to account for the services it provides. Transparency means that the public has ready access to understandable, relevant and timely information about how the Partnership is making decisions and how it is using its resources.

54. Meetings of the Partnership are held in public and papers from each meeting, including budget monitoring reports are available on the Partnership's website after the meeting. We noted, however, that agenda papers are not available on the website in advance of Partnership meetings.

Conclusion on governance and transparency

55. Based on our observations and the audit work performed during 2015/16, we concluded that:

- the Partnership has effective governance arrangements in place which provide an appropriate framework for organisational decision making; and
- the Partnership could be more open and transparent by making agenda papers available on its website in advance of its meetings.

Best Value

56. Best value is a key factor to consider when planning policies, programmes and projects and when taking any spending decisions. The Partnership should have systems and processes to ensure that it can demonstrate that it is delivering best value by assessing and reporting on the economy, efficiency, effectiveness and equality in service provision.

Regional Transport Strategy

57. Under the Transport (Scotland) Act 2005, the Partnership's key role and purpose is to develop and oversee the delivery of a Regional Transport Strategy (RTS) for the Highland and Islands region and to support the National Transport Strategy. The RTS spans a period of 15 years from inception and legislation provides for the periodic review and updating of the Strategy.

58. The current RTS was approved in 2008 and covers the period up to 2022. It sets out the vision and objectives for addressing transport issues and needs in the Highlands and Islands region and is underpinned by a number of sub-strategies and the RTS Delivery Plan.

59. The Partnership is in the process of updating its RTS. In previous years we have reported that the refreshed RTS was due to be approved in April 2015. This was delayed until 31 March 2016 and, at the time of writing, has yet to be submitted to the Partnership Board for approval.

Overview of performance targets in 2015/16

60. The Transport (Scotland) Act 2005 requires that Regional Transport Partnerships publish and submit to Scottish Ministers an Annual Report on the performance of their functions.

61. The 2014/15 Annual Report was published in November 2015. The report sets out the Partnership's progress against its projects, its performance against the allocated budget and an update on performance against the Regional Transport Strategy. At the time of our audit, the 2015/16 annual report was not yet available.

National performance audit reports

62. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. During 2015/16, a number of reports were issued which are of direct interest to the Partnership. These are outlined in appendix III. The Partnership Director reviews relevant reports, and where appropriate, assesses local performance against them and identifies actions required to improve performance. These improvement actions are reported to the Partnership Board.

Appendix I: Significant audit risks

The table below sets out the financial statement audit risks we identified during the course of the audit and how we addressed each risk in arriving at our opinion on the financial statements.

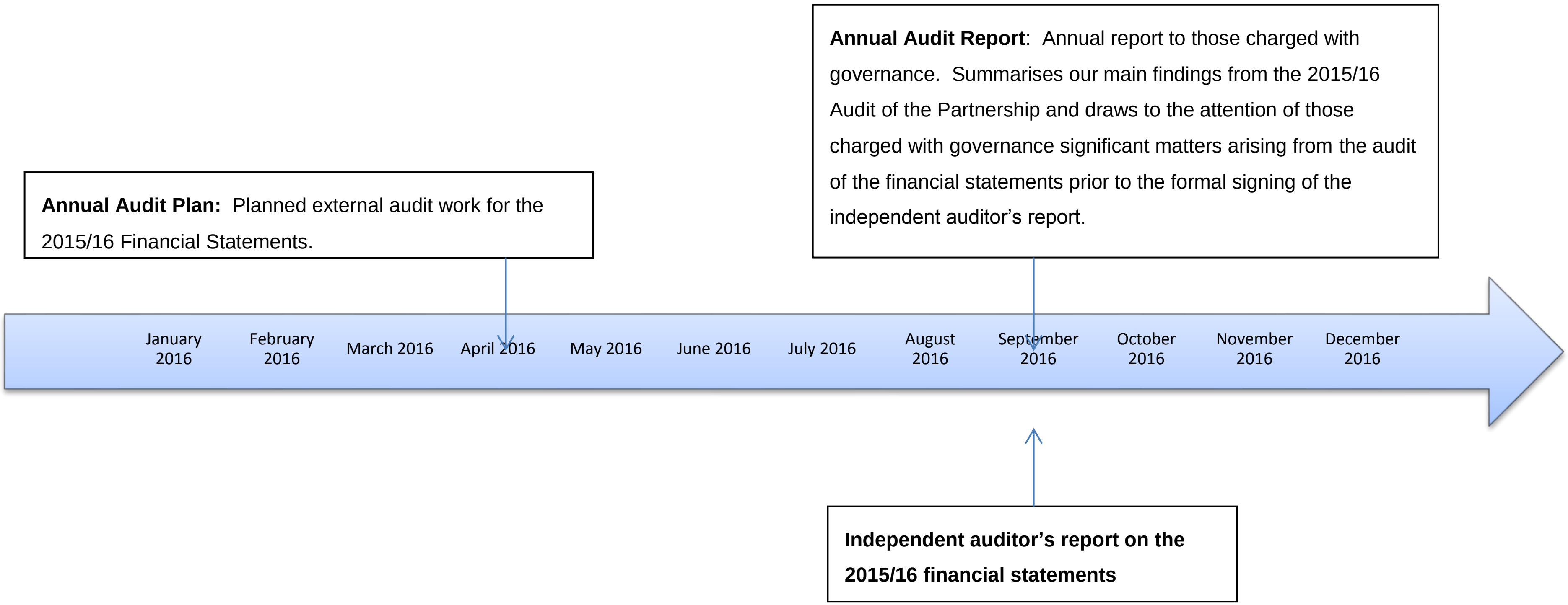
Audit Risk	Assurance procedure	Results and conclusions
Risk of material misstatement		
New corporate financial management system The Partnership's 2015/16 accounts will be produced from The Highland Council's new corporate financial management system (INTEGRA) which was introduced on 1 April 2015. The effective operation of this new system is fundamental to the preparation of the 2015/16 accounts and our audit opinion. As with any new system, there is a risk that it is not operating as expected. Finance staff will need to review and revise any working papers which rely on ledger reports generated from the system to ensure that they continue to produce accurate figures for inclusion within the 2015/16 accounts.	• early financial statements planning meeting • increased audit testing of opening balances • review of controls operating within the new system • review of revised working papers • early discussion of emerging issues.	We agreed the opening balances entered on the new financial management system to the audited 2014/15 accounts. Our review of the controls in operation within the council's new financial management system concluded that there were weaknesses within the control in operation with the general ledger and accounts payable systems during 2015/16 (refer to paragraph 48 for details). There was no impact on our audit as we had adopted a substantive approach to the audit of the 2015/16 financial statements. We reviewed the working papers provided to audit and confirmed that they provided accurate figures for inclusion within the 2015/16 financial statements.

Audit Risk	Assurance procedure	Results and conclusions
Prior year issue (management review of the unaudited accounts) The 2014/15 financial statements submitted for audit did not comply with the requirements of the Local Authority Accounts (Scotland) Regulations 2014. In our opinion, a more robust and challenging review process needs to be put in place to improve the quality of the financial statements submitted for audit.	• early financial statements planning meeting • early discussion of emerging issues.	The unaudited accounts submitted for audit were of a good standard and we did not identify any instances where the 2015/16 financial statements did not comply with the Local Authority Accounts (Scotland) Regulations 2014.
Prior year issue (accounting for cut off) Last year we identified a number of instances where expenditure relating to 2015/16 had been incorrectly accounted for in the 2014/15 unaudited financial statements. There is a risk that similar cut-off errors will be included within the 2015/16 unaudited financial statements.	• early financial statements planning meeting • increased audit testing in these areas • early discussion of emerging issues.	This was again the case in 2015/16. £29,000 of expenditure relating to 2016/17 had been included within the 2015/16 financial statements. These financial misstatements were corrected in the audited annual accounts.

Audit Risk	Assurance procedure	Results and conclusions
Prior year issue (failure to comply with Transport (Scotland) Act 2005) The Partnership treats underspends as a reduction to the grant received from the Scottish Government. This fails to comply with the requirements set out in the Transport (Scotland) Act 2005 which requires that the net expenses of a Transport Partnership for each year are paid by its constituent authorities. There is a risk that the Partnership will fail to comply with the requirements set out in the Act in 2015/16.	• early financial statements planning meeting • review of disclosures in financial statements • early discussion of emerging issues	The audited accounts have been amended to comply with the requirements set out in the Transport (Scotland) Act 2005.
Management override of controls ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls in order to change the position disclosed in the financial statements.	• detailed testing of journal entries • review of accounting estimates for bias • evaluation of significant transactions that are outside the normal course of business.	We undertook detailed testing of journal entries as part of debtors and creditors. We found that £29,000 of expenditure had been included within the 2015/16 unaudited accounts which related to 2016/17. We also reviewed accounting estimates included in debtors and creditors and found no evidence of bias in these. Audit testing did not find any evidence of transactions outwith the scope of the Partnership.

Audit Risk	Assurance procedure	Results and conclusions
Risks identified from the auditor's wider responsibility under the Code of Audit Practice		
Financial Regulations Revised Financial Regulations were approved at the Partnership meeting in February 2015. Our review of the revised Financial Regulations noted that these have yet to be updated to reflect the requirements set out in the Local Authority Accounts (Scotland) Regulations 2014. Without up to date Finical Regulations, there is a risk that the Partnership does not comply with the requirements of the 2014 Accounts Regulations.	• monitor through the audit process • report results in the annual report to members and the Controller of Audit.	Revised Financial Regulations were approved at the Partnership Board meeting in April 2016. Our review of the revised Financial Regulations noted that these had been updated to reflect the requirements set out in the Local Authority Accounts (Scotland) Regulations 2014.

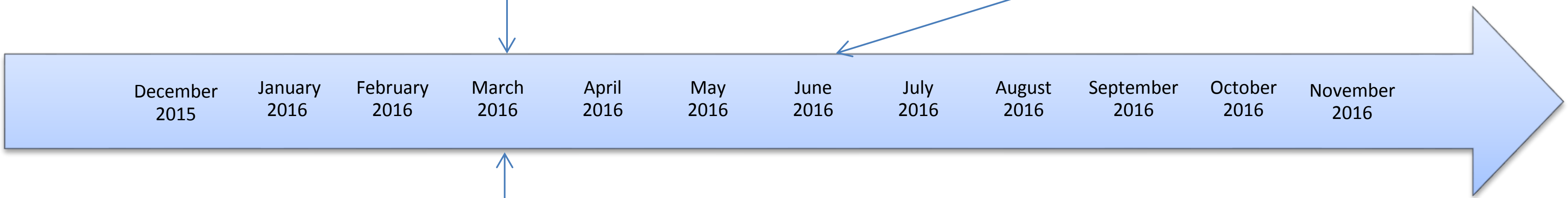
Appendix II: Summary of local audit reports 2015/16



Appendix III: Summary of Audit Scotland national reports 2015/16

Community planning: an update (March 2016) – Progress on community planning has not yet achieved the major change needed to fulfil its potential to reduce inequalities and put communities at the heart of delivering public services.

National Fraud Initiative in Scotland 2014/15 (June 2016) – The security and transparency of Scotland's public finances have been strengthened after a national data-sharing exercise found nearly £17million of fraud and error across public services.



An overview of local government in Scotland (March 2016) – budget reductions mean starker choice ahead for public bodies which will not be met simply by continuing to cut staff and services.

Appendix IV: Action plan

No. AS ref.	Paragraph ref.	Issue/risk/Recommendation	Management action/response	Responsible officer / Target date
1.	25 & 26	**Issue** Audit testing identified a number of instances where expenditure relating to 2016/17 had been incorrectly accounted for in the 2015/16 accounts. **Risk** Potential misstatement of the financial statements. If amounts are material the accounts may be qualified or not completed by 30 September. **Recommendation** Final accounts processes should be amended to ensure that expenditure is accounted for in the correct year.	Management recognise the importance of accounting for income and expenditure in the correct financial year. There is a balance to be struck between early accounts closure and accuracy but every effort is made to ensure that the accounts submitted for audit are correct. No additional action is required in terms of existing processes.	N/A

No. AS ref.	Paragraph ref.	Issue/risk/Recommendation	Management action/response	Responsible officer / Target date
2.	37	**Issue** There are no clear links between the high level budget monitoring reports and individual projects reported to members. **Risk** Members are unable to see how the budgeted expenditure per the revenue monitoring report ties into individual projects, and whether projects are being delivered within budget. **Recommendation** The Partnership should review its monitoring reports to ensure there are clear links between its revenue budget monitoring reports, research, development and delivery programme, and its reports on individual projects.	Management will review the budget and project monitoring reports to ensure that each project report makes specific reference to the overarching project report's budget line. For example any project that is being delivered through the Research and Strategy Delivery Programme will set out the linkage to that budget line.	Partnership Director / next Board meeting 25 November 2016