



South West Scotland  
Community  
Justice  
Authority

# **ANNUAL ACCOUNTS 2009-2010**

## INDEX OF CONTENTS

<b><u>Section</u></b>		<b><u>Page</u></b>
<b>1</b>	<b>Introduction by Councillor Peter McNamara</b> <i>Convenor of the SWSCJA</i>	<b>2</b>
<b>2</b>	<b>Explanatory Foreword by Chief Officer</b> <i>Provides an overview of the financial performance of the SWSCJA for 2009/2010</i>	<b>3</b>
<b>3</b>	<b>Statement of Responsibility for the Accounts</b> <i>Identifies the responsibilities for the production of the accounts</i>	<b>5</b>
<b>4</b>	<b>Statement on the System of Internal Financial Control</b> <i>Sets out the framework within which financial control is managed within the SWSCJA</i>	<b>6</b>
<b>5</b>	<b>Statement of Accounting Policies</b> <i>Explains the basis of measuring and recognising transactions to be included in the accounts</i>	<b>7</b>
<b>6</b>	<b>Income and Expenditure Account</b> <i>Brings together the Authority's income and expenditure for the year</i>	<b>8</b>
<b>7</b>	<b>Balance Sheet</b> <i>Gives information on the balances held by the Authority at the end of the financial year</i>	<b>9</b>
<b>8</b>	<b>Cash Flow Statement</b> <i>Summarises the cash inflows and outflows for the year</i>	<b>10</b>
<b>9</b>	<b>Notes to the Accounts</b> <i>Gives additional information on the figures within the core accounting statements</i>	<b>11</b>
<b>10</b>	<b>Independent Auditor's Report</b> <i>A report by External Auditors on their opinion as to whether the Accounts present a true and fair view of the position at 31 March 2010</i>	<b>16</b>

## **SECTION ONE: INTRODUCTION BY COUNCILLOR PETER MCNAMARA**

### **(Convenor of South West Scotland Community Justice Authority)**



Community Justice Authorities (CJAs) are independent statutory bodies established by the Management of Offenders Etc (Scotland) Act 2005.

The purpose of Scotland's eight Community Justice Authorities (CJAs) is to work in partnership to reduce re-offending, and to contribute towards a safer and stronger Scotland.

CJAs are devolved public bodies with strategic planning, monitoring and reporting functions.

Each Authority is made up of a number of Elected Members, from the constituent local authority areas. South West Scotland CJA covers the local authority areas of Dumfries & Galloway, East Ayrshire, North Ayrshire and South Ayrshire, which together have a population of 516,090 people – around 10% of the population of Scotland. The area includes urban, rural, semi-rural and island communities, and some areas of significant multiple deprivation.

CJAs aim to reduce re-offending by working closely with partners across the criminal justice system. These partners include local authorities and the Scottish Prison Service (both known as 'duty to co-operate partners'), as well our 'statutory partners', including police, courts, procurators fiscal and the third sector.

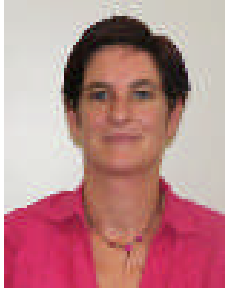
Our collective efforts to reduce re-offending are driven by our three-year Area Plan, 2007-11. Scottish Ministers have identified the Community Justice Authority as the accountable body for allocating Section 27 Criminal Justice Social Work funding to local authorities, to support the delivery of this Area Plan.

Whilst these annual accounts reflect the contribution of Section 27 funding towards delivering the Area Plan, we are aware that all partners' funding contributes to our shared aim of reducing re-offending. As a CJA, we will continue to work together and align our resources as far as possible to add value and improve outcomes for offenders, their families, victims and local communities.

A handwritten signature in black ink, appearing to read 'Peter McNamara', written in a cursive style.

Peter McNamara  
Convenor of SWSCJA  
22 October 2010

## SECTION TWO: EXPLANATORY FOREWORD BY THE CHIEF OFFICER



As noted in the Introduction, Community Justice Authorities are responsible for the effective financial management of Section 27 grant funding for local authority criminal justice social work services. This funding is provided under Section 27 of the Social Work (Scotland) Act 1968, and includes 'core' funding, for example for court and parole board reports, for the supervision of offenders on probation, community service or supervised attendance orders; and 'non core' funding for other services and activities, such as the local implementation of national initiatives, or the development of specific local initiatives. These services are provided by local authorities, either alone or in partnership, or are commissioned to third sector organisations where appropriate.

The Management of Offenders etc (Scotland) Act 2005 gives each CJA the duty to determine the internal resource allocations across its constituent local authorities. This involves:

- Making arrangements for internal resource allocations;
- Monitoring how funds are spent;
- Satisfying the Scottish Government and its auditors that appropriate financial safeguards are in place.

The Finance and Accountability (Scotland) Act 2000 identifies the CJA Chief Officer as the 'accountable officer' in terms of responsibility for this budget.

The local authorities' Chief Social Work Officers are responsible for ensuring that the level of funding provided to them by the CJA is sufficient to enable them to deliver the required level of service and mix of service elements to achieve what is expected of them in the area plan.

The Scottish Government's allocation of Section 27 grant to CJAs is by formula, however the expectation is that resource allocations *within* the CJA area (i.e. between the constituent local authorities) should be informed by the 3 year Area Plan. Resources should be allocated in a way which supports the delivery of the Area Plan. As noted in the Introduction, this cannot be done in isolation from discussions with wider partners about the totality of resources contributing to the Plan.

In South West Scotland a formula is used to allocate core funding between the authorities on the basis of two-year average workload. This aims to target resources to areas of most need. A flooring mechanism is used (2% in 2010/11) to minimise the negative impact on any single local authority.

A Memorandum of Understanding between the constituent local authorities and South West Scotland CJA sets out what will happen in the event of an underspend or overspend in either core or non-core budgets.

The CJA receives separate funding from the Scottish Government to cover its administration costs. This small annual grant covers costs for the three CJA staff members and related costs, office accommodation and other running costs for the CJA itself. This is also reported in these Annual Accounts.

## **SECTION TWO: EXPLANATORY FOREWORD BY THE CHIEF OFFICER**

### **Financial Performance**

In the year to 31 March 2010 the SWSCJA admin grant budget was £0.226m. The actual expenditure against this budget was £0.221m. As a result, the SWSCJA returned a surplus of £5,000. This surplus, added to the previous years of £2,000, produces a cumulative surplus of £7,000 at 31 March 2010.

The SWSCJA are expected to breakeven each year. The in-year surplus of £5,000 is 2.2% of the overall funding, an immaterial amount. The SWSCJA are not permitted to retain surpluses and as such it is expected that the Scottish Government will reclaim the cumulative balance at a point in time in the future.



Justina Murray  
Chief Officer  
22 October 2010

## **SECTION THREE: STATEMENT OF RESPONSIBILITY FOR THE ACCOUNTS**

### **Responsibilities of the Community Justice Authority**

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Chief Officer.
- To manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.

### **Responsibilities of the Chief Officer**

The Chief Officer is required:

- To make arrangements for the proper administration of the CJA's financial affairs;
- To safeguard the public funds for which he/she has charge, to ensure propriety and regularity in the handling of those public funds;
- To act in accordance with the terms of the Management Statement/Financial Memorandum and within the terms of the relevant guidance within the Scottish Public Finance Manual;
- To make arrangements for the proper disbursement of Section 27 Grant income across the four Local Authority members through the host authority;
- To seek assurance that the Section 27 grant is spent appropriately; and
- To prepare the authority's statement of accounts, which is required to present a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year.

## **SECTION FOUR: STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL**

This statement is given in respect of the statement of accounts for the South West Scotland Community Justice Authority. As Chief Officer it is my duty to ensure that an effective system of internal financial control is maintained and operated in connection with the resources concerned.

Systems of internal financial control are based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Development and maintenance of systems is undertaken by managers within the constituent authorities.

Systems of internal financial control can provide only reasonable and not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

In the production of these accounts I have relied upon the statements of internal financial control within the accounts for each of the constituent authorities. I also place reliance on any reports issued by the internal and external auditors within each of these authorities. Whilst some weaknesses have been identified in individual local authorities, I am confident these are not related to Criminal Justice Social Work expenditure.



Justina Murray  
Chief Officer  
22 October 2010

## **SECTION SIX: INCOME AND EXPENDITURE ACCOUNT**

These accounts have been prepared in accordance with the 'Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice', and the 'Best Value Accounting Code of Practice' developed by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The accounting convention adopted is historical cost.

### **1. Changes in Accounting Policies**

Balances previously held as a debtor are now classified as cash and investment held by NAC on behalf of the SWSCJA. The 2008/09 comparatives have been restated in the main financial statements to reflect this.

### **2. Debtors and Creditors**

#### (a) Revenue Debtors

All known specific and material sums payable to the SWSCJA have been brought into account.

#### (b) Revenue Creditors

- (i) All salaries and wages earned up to 31 March 2010 are included in the accounts for 2009/10 irrespective of when actual payments were made.
- (ii) Sundry Creditors have been accrued in respect of goods and services received before 31 March 2010, based on invoices received and processed during the first two weeks of April 2010, together with specific accruals in respect of further material items.

#### (c) Revenue Grants

All revenue grants are matched with the expenditure to which they relate.

### **3. Reserves**

Community Justice Authorities are not permitted to retain surpluses therefore do not hold reserves. Any immaterial balances on the accounts at the end of the financial year are invested in the North Ayrshire Council loans fund.

### **4. VAT**

Income and expenditure received and paid to constituent local authorities is of a Section 27 nature in accordance with the Social Work (Scotland) Act 1968 and therefore excludes any amounts related to VAT.

The administration expenses of the Community Justice Authority are not covered by the exceptions in S33 and S41 of the VAT Act 1994. These accounts therefore include VAT on these goods and services purchased.

### **5. Capital Accounting**

A de-minimus level of £10,000 has been applied to items of a capital nature.

## SECTION SIX: INCOME AND EXPENDITURE ACCOUNT

<u>2008/09</u> <u>As Restated</u> <u>Net</u> <u>Expenditure</u> <u>£000</u>	<u>INCOME AND EXPENDITURE ACCOUNT</u>	<u>2009/10</u> <u>Net</u> <u>Expenditure</u> <u>£000</u>	<u>Note</u>
	<b>Expenditure -</b>		
215	Administration Expenses	255	
	<b>Advances of Section 27 grant to -</b>		
2,399	Dumfries and Galloway Council	2,482	
1,974	East Ayrshire Council	1,985	
2,844	North Ayrshire Council	3,264	
1,388	South Ayrshire Council	1,448	
<b>8,820</b>	<b>NET COST OF SERVICES</b>	<b>9,434</b>	
	<b>Operating income -</b>		
-	Interest and Investment Income	-	
<b>8,820</b>	<b>NET OPERATING EXPENDITURE</b>	<b>9,434</b>	
(8,826)	Government Grant	(9,439)	
<b>(8,826)</b>	<b>TOTAL INCOME FROM GOVERNMENT GRANTS</b>	<b>(9,439)</b>	
<b>(6)</b>	<b>INCOME &amp; EXPENDITURE (SURPLUS)/ DEFICIT FOR YEAR</b>	<b>(5)</b>	
<b>4</b>	<b>BALANCE ON FUND BROUGHT FORWARD</b>	<b>(2)</b>	
<b>(2)</b>	<b>BALANCE AT 31 MARCH CARRIED FORWARD</b>	<b>(7)</b>	

**SECTION SEVEN: BALANCE SHEET**

<b><u>At 31</u> <u>Mar</u> <u>2009</u> <u>Restated</u> <u>£000</u></b>	<b><u>BALANCE SHEET</u></b>	<b><u>At 31</u> <u>Mar</u> <u>2010</u> <u>£000</u></b>	<b><u>Note</u></b>
	<b>CURRENT ASSETS</b>		
258	Cash held by NAC on behalf of the CJA	111	
<u>214</u>	Debtors	<u>47</u>	<b>5</b>
<u>472</u>		<u>158</u>	
	<b>CURRENT LIABILITIES</b>		
470	Creditors	<u>151</u>	<b>6</b>
<u>(470)</u>		<u>(151)</u>	
<b>2</b>	<b>TOTAL ASSETS LESS LIABILITIES</b>	<b>7</b>	
<u><b>2</b></u>	<b>TOTAL NET WORTH</b>	<u><b>7</b></u>	



Justina Murray  
Chief Officer

The unaudited accounts were issued on 17 September 2010 and the audited accounts were authorised for issue on 22 October 2010.

## SECTION EIGHT: CASH FLOW STATEMENT

<u>2008/09</u> <u>£000</u>		<u>2009/10</u> <u>£000</u>	<u>Note</u>
	<b>REVENUE ACTIVITIES</b>		
	<b>Cash Outflows</b>		
136	Cash paid to and on behalf of employees	143	
8,465	Other operating cash payments	9,490	
<u><b>8,601</b></u>	<b>TOTAL PAYMENTS</b>	<u><b>9,633</b></u>	
	<b>Cash Inflows</b>		
(8,614)	Government grants	(9,486)	
<u><b>(8,614)</b></u>	<b>TOTAL RECEIPTS</b>	<u><b>(9,486)</b></u>	
<u><b>(13)</b></u>	<b>NET CASH (INFLOW) / OUTFLOW FROM REVENUE ACTIVITIES</b>	<u><b>147</b></u>	<b>8</b>
	<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
	<b>Cash Inflows</b>		
-	Interest received	-	
<u>-</u>	<b>TOTAL RECEIPTS</b>	<u>-</u>	
<u>-</u>	<b>NET CASH (INFLOW) / OUTFLOW FROM SERVICING OF FINANCE</b>	<u>-</u>	
<u><b>(13)</b></u>	<b>(INCREASE)/DECREASE IN CASH</b>	<u><b>147</b></u>	

## SECTION NINE: NOTES TO THE ACCOUNTS

### **Note 1: External Audit Fees**

Audit Scotland has been appointed to carry out the audit of the SWSCJA's accounts for 2009/10. The fees for audit services undertaken in accordance with the 'Code of Audit Practice' are as follows:

<b><u>2008/09</u></b> <b><u>£000</u></b>		<b><u>2009/10</u></b> <b><u>£000</u></b>
<u>5</u>	External Audit Fee	<u>5</u>

### **Note 2: Officers' Remuneration**

Remunerations to officers in excess of £50,000 per annum were made as follows.

<b><u>2008/09</u></b> <b><u>No. of</u></b> <b><u>Officers</u></b>	<b><u>Banding</u></b>	<b><u>2009/10</u></b> <b><u>No. of</u></b> <b><u>Officers</u></b>
<u>1</u>	£50,000 - £59,999	<u>1</u>

### **Note 3: Pension Contributions**

The SWSCJA participates in the Local Government (Scotland) Superannuation Scheme, administered by Glasgow City Council through the Strathclyde Pension Fund. This is a funded defined benefits scheme, with both the employer and employee making contributions, intended to balance the pension liabilities with investment assets.

Under FRS 17 the SWSCJA must recognise the cost of retirement benefits in the net cost of services. As the CJA only employed three officers at 31 March 2010, it was considered neither material nor cost effective to incorporate these entries in these accounts.

Contributions by the SWSCJA during 2009/10 amounted to £0.020m (£0.018m 2008/09) representing 17.2% of pensionable pay (16.8% 2008/09).

## SECTION NINE: NOTES TO THE ACCOUNTS

### **Note 4: Related Party Transactions**

During 2009/10 transactions arose with related parties as follows:

<b><u>2008/09</u></b>		<b><u>2009/10</u></b>
<b><u>£000</u></b>		<b><u>£000</u></b>
	<b>Scottish Government Revenue Grants</b>	
8,605	Section 27 Grant Income	9,200
221	Administration Grant Income	255
	<b>Payments to Related Bodies</b>	
2,399	Dumfries and Galloway Council	2,482
1,974	East Ayrshire Council	1,985
2,844	North Ayrshire Council	3,264
1,388	South Ayrshire Council	1,448

### **Note 5: Debtors**

<b><u>2008/09</u></b>		<b><u>2009/10</u></b>
<b><u>£000</u></b>		<b><u>£000</u></b>
<b><u>Restated</u></b>		
212	Section 27 Grant Income 0.5% Retention	45
2	Prepayment	2
<b><u>214</u></b>	<b>Total</b>	<b><u>47</u></b>

### **Note 6: Creditors**

<b><u>2008/09</u></b>		<b><u>2009/10</u></b>
<b><u>£000</u></b>		<b><u>£000</u></b>
<b><u>Restated</u></b>		
59	Dumfries & Galloway Council	12
48	East Ayrshire Council	10
71	North Ayrshire Council	16
34	South Ayrshire Council	7
15	Trade Creditors	19
4	Social Security and Pensions	2
239	Scottish Government	85
<b><u>470</u></b>	<b>Totals</b>	<b><u>151</u></b>

## SECTION NINE: NOTES TO THE ACCOUNTS

### **Note 7: Post Balance Sheet Events**

Events have been considered in the period between the date of the balance sheet and the date the Statement of Accounts was submitted for audit. This date fell on 17 September 2010 and is the date after which events will not have been recognised in the statement of accounts.

### **Note 8: Reconciliation of Income & Expenditure Account to Revenue Activities Cash Flow**

<b><u>2008/09</u></b> <b><u>£000</u></b>		<b><u>2009/10</u></b> <b><u>£000</u></b>
(6)	Net (Surplus) / Deficit on Income & Expenditure Account	(5)
	<b>Items on an Accruals Basis</b>	
94	(Decrease) /Increase in Revenue Debtors	(167)
(101)	Decrease /(Increase) in Revenue Creditors	319
<b><u>(13)</u></b>	<b>Net Cash Flow from Revenue Activities</b>	<b><u>147</u></b>

## SECTION NINE: NOTES TO THE ACCOUNTS

### **Note 9: Annual Financial Return for SWSCJA**

Attached is the consolidated Annual Financial Return for the SWSCJA.

#### CRIMINAL JUSTICE SOCIAL WORK SERVICES

#### South West Scotland CJA - Annual Financial Statement 2009/10

Service	2009/10 Allocation	Staff costs	Other costs	Actual Overheads (restricted to 8%)	Total
<b>Core</b>					
Probation	£1,154,040	£856,660	£238,032	£81,212	£1,175,903
Community Service	£2,122,633	£1,636,593	£544,696	£154,317	£2,335,606
Social Enquiry Reports (Frozen at 2008/09 funding)	£1,208,413	£879,280	£204,075	£79,608	£1,162,963
Throughcare (includes HDCs)	£987,008	£669,095	£194,845	£65,617	£929,557
Home Detention Curfew	£0	£0	£0	£0	£0
SAO	£505,560	£262,426	£201,130	£38,405	£501,962
Diversion	£205,467	£174,669	£33,226	£11,484	£219,379
Bail	£163,030	£0	£136,539	£10,936	£147,475
Court Services	£330,376	£292,879	£56,675	£23,980	£373,535
<b>Total Core Services</b>	<b>£6,676,527</b>	<b>£4,771,601</b>	<b>£1,609,219</b>	<b>£465,559</b>	<b>£6,846,380</b>
<b>Invoicing</b>					
Turnaround Evaluation	£5,000	£0	£5,000	£0	£5,000
Evaluation of the Women's Mentoring Programme	£15,499	£0	£15,499	£0	£15,499
Intensive Support package	£39,970	£0	£39,970	£0	£39,970
<b>Total Invoicing</b>	<b>£60,469</b>	<b>£0</b>	<b>£60,469</b>	<b>£0</b>	<b>£60,469</b>
<b>Non Core</b>					
<b>Centrally Initiated Funding</b>					
Arrest Referral	£111,251	£0	£102,351	£5,502	£107,853
Delivery of the National Training Programme	£59,968	£49,182	£6,534	£4,457	£60,173
MAPPA	£134,227	£139,217	£23,698	£11,071	£173,986
Throughcare Addiction Services	£58,100	£49,972	£6,762	£4,114	£60,847
<b>Funding for Non-Centrally Initiated Areas of Work</b>					
DTTO	£797,969	£411,340	£424,133	£55,306	£890,780
Employment Services	£44,762	£31,770	£9,028	£3,267	£44,065
Lease of premises	£15,006	£0	£15,006	£807	£15,813
New Service Development Funding	£188,800	£0	£158,547	£12,684	£171,231
Programme Delivery	£706,709	£454,862	£278,537	£55,777	£789,175
Social Enquiry Report Pilot (to June 2009)	£14,400	£2,399	£11,756	£1,132	£15,287
Social Enquiry Report Pilot - 2nd Round (February to end April 2010)	£10,988	£8,186	£1,973	£813	£10,972
Structured Deferred Sentence	£101,988	£57,327	£43,863	£8,103	£109,293
Substance Related Offending	£59,123	£50,386	£5,252	£4,456	£60,094
Supported Accommodation	£121,607	£84,330	£27,769	£8,416	£120,515
Caledonian Self Evaluation	£15,000	£7,054	£7,492	£979	£15,525
<b>Total Non Core Services</b>	<b>£2,439,898</b>	<b>£1,346,023</b>	<b>£1,122,702</b>	<b>£176,884</b>	<b>£2,645,609</b>
<b>Overall Total</b>	<b>£9,176,894</b>	<b>£6,117,625</b>	<b>£2,792,391</b>	<b>£642,442</b>	<b>£9,552,458</b>

## SECTION NINE: NOTES TO THE ACCOUNTS

### **Note 10: Reconciliation of Annual Financial Return to Income & Expenditure Account**

		<b><u>2009/10</u></b> <b><u>£000</u></b>
Expenditure per Annual Financial Return		9,552
Less: Grant advanced by SWSCJA to:		
Dumfries and Galloway Council	2,482	
East Ayrshire Council	1,985	
North Ayrshire Council	3,264	
South Ayrshire Council	1,448	
	<hr/>	9,179
<b>Balance met by Constituent Local Authorities</b>		<hr/> 373 <hr/>

## **SECTION TEN: INDEPENDENT AUDITOR'S REPORT**

### **Independent auditor's report to the members of South West Scotland Community Justice Authority, the Auditor General for Scotland and the Scottish Parliament**

I have audited the financial statements of South West Scotland Community Justice Authority for the year ended 31 March 2010 under the Management of Offenders etc. (Scotland) Act 2005 and regulations made thereunder. These comprise the income and expenditure account, the balance sheet, the cash flow statement, and the related notes. These financial statements have been prepared under the accounting policies set out within them.

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 123 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

### **Respective responsibilities of the authority, chief officer and auditor**

The community justice authority and chief officer are responsible for preparing the financial statements in accordance with the Management of Offenders etc. (Scotland) Act 2005 and regulations made thereunder. The chief officer is also responsible for ensuring the regularity of expenditure and receipts. These responsibilities are set out in the statement of responsibility for the accounts.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and with International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland.

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Management of Offenders etc. (Scotland) Act 2005 and regulations made thereunder. I also report whether in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

In addition, I report to you if, in my opinion, the body has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on the system of internal financial control reflects the body's compliance with the Scottish Government's guidance, and I report if, in my opinion, it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the body's corporate governance procedures or its risk and control procedures.

I read the other information published with the financial statements and consider whether it is consistent with the audited financial statements. This other information comprises only the explanatory foreword. I consider the implications for my report if

## SECTION TEN: INDEPENDENT AUDITOR'S REPORT

I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

### **Basis of audit opinion**

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board as required by the Code of Audit Practice approved by the Auditor General for Scotland. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the authority and chief officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the body's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinions**

#### *Financial statements*

In my opinion:

- the financial statements give a true and fair view, in accordance with the Management of Offenders etc. (Scotland) Act 2005 and regulations made thereunder, of the state of affairs of the body as at 31 March 2010 and of its net operating cost and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Management of Offenders etc. (Scotland) Act 2005 and regulations made thereunder.

## SECTION TEN: INDEPENDENT AUDITOR'S REPORT

### *Regularity*

In my opinion in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.



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**22 October 2010**