

TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP**15 SEPTEMBER 2020****DRAFT AUDITED ANNUAL ACCOUNTS 2019/20 AND
DRAFT ANNUAL AUDIT REPORT TO THE MEMBERS OF
TACTRAN AND THE CONTROLLER OF AUDIT
FOR THE YEAR ENDED 31 MARCH 2020****JOINT REPORT BY THE TREASURER AND DIRECTOR**

This report presents the Partnership's 2019/20 Audited Annual Accounts (unsigned) in accordance with the Local Authority Accounts (Scotland) Regulations 2014.

1 RECOMMENDATIONS

1.1 That the Partnership:

- (i) Notes the contents of KPMG's Draft Annual Audit Report for the year ended 31 March 2020, as attached at Appendix 1; and
- (ii) Approves the 2019/20 Audited Annual Accounts at Appendix 2 and authorises the Partnership Chair, Director and Treasurer to sign them.

2 BACKGROUND

- 2.1 Regional Transport Partnerships were required to submit their 2019/20 Unaudited Annual Accounts to the Controller of Audit by 30 June 2020, with Audited Annual Accounts to be submitted by 30 September 2020.
- 2.2 The Annual Accounts are prepared in accordance with the 2019 CIPFA Code of Practice on Local Authority Accounting (the Code). The Accounts also comply with the Local Authority Accounts (Scotland) Regulations 2014.
- 2.3 The restrictions arising from the Covid-19 pandemic resulted in Partnership reports being emailed to Board members in advance of the meeting on 16 June 2020. Included in the reports for consideration were the 2019/20 Unaudited Annual Accounts (Report RTP/20/22 refers). Board members were provided an opportunity to raise any comments / questions on the draft accounts prior to submission to the external auditor. The Unaudited Annual Accounts were approved by the Partnership and formally submitted in advance of the statutory deadline of 30 June 2020.
- 2.4 The Unaudited Annual Accounts were available for public inspection between 1 July and 21 July 2020 (inclusive). During this period KPMG received no objections to the draft Accounts.

3 DISCUSSION

- 3.1 The audit of the 2019/20 Annual Accounts took place between July and August 2020. The audit considered not only the financial statements but also areas such as financial performance and corporate governance.
- 3.2 The Draft Annual Audit Report for the year ended 31 March 2020 is set out at Appendix 1. The Draft Audit Report sets out KPMG's opinions and conclusions on the overall audit and their findings to be reported under ISA260: Report to those Charged with Governance.
- 3.3 The KPMG conclusions from the 2019/20 audit are set out on page 13 of Appendix 1 and include an unqualified opinion on the truth and fairness of the state of the Partnership's affairs as at 31 March 2020.
- 3.4 The key messages from the 2019/20 audit are set out under two key themes on pages 16 and 17 of Appendix 1 and are summarised as follows:
- Governance and Transparency –
- Tactran embraces public transparency through its website which provides access to up-to-date financial and strategic information regarding its activities.
 - Principal risks relate to delivery of the RTS, management and operation of the Partnership, and financial risks. In line with best practice, the management commentary discloses the key risks in sufficient detail to enable a reader to sufficiently understand them.
- Financial Sustainability –
- Scottish Ministers have confirmed that, in respect of the National Transport Strategy (NTS), regional governance should be the way forward. Collaborative working with the Tay Cities and Regional Transport Working Groups ("RTWG") strengthen the regional approach to transport planning, its integration with strategic planning and economic development, and the regional collaboration and partnership that Tactran embodies and advocates.
 - Tactran continued to engage and advise with Transport Scotland, ScotRail, other RTP's and public transport operators during the Covid-19 pandemic to co-ordinate an approach to planning and to support economic recovery. The pandemic provides an opportunity to build on alliances seen regionally and nationally.
 - Tactran has a robust control environment for an organisation of its size, which includes policies established for a code of conduct for members, risk management, and financial regulations.

- 3.5 Following approval of the 2019/20 Unaudited Accounts by the Board in June 2020, there were a number of presentational adjustments required during the audit process. These adjustments have no impact on the level of resources available to the Partnership.
- 3.6 At this time the 2019/20 Audited Annual Accounts remain unsigned. Approval of the Accounts at today's meeting will provide authorisation for the Chair, Director and Treasurer to sign them. Once signed, the Accounts will be passed to KPMG so that they may issue their opinion in the form of an audit certificate. The final signed 2019/20 Accounts and Annual Audit Report for the year ended 31 March 2020 will be published on the Tactran website.

4 CONSULTATIONS

- 4.1 There has been no consultation in the preparation of this report.

5 RESOURCE AND EQUALITY IMPLICATIONS

- 5.1 There are no direct resource or equalities implications arising from this report.

Scott Walker
Treasurer

Mark Speed
Director

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NOTE

Background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing this Report:

Report to Partnership RTP/10/22, Draft Unaudited Annual Accounts for 2019/20, 16 June 2020