



**TAYSIDE AND CENTRAL SCOTLAND  
TRANSPORT PARTNERSHIP**

**STATEMENT OF ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2010**

**AUDITED**

# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## STATEMENT OF ACCOUNTS 2009/2010

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# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## MEMBERS AND OFFICIALS 2009/2010

### ABOUT THE PARTNERSHIP

The Tayside and Central Scotland Regional Transport Partnership (*tactran*) is a statutory body established under the Transport (Scotland) Act 2005. *tactran* works with its partner authorities, Angus Council, Dundee City Council, Perth & Kinross Council and Stirling Council, and with Scottish Government, Transport Scotland, transport providers and other key stakeholders, to improve and develop Scotland's transport infrastructure and services, in support of promoting sustainable economic growth, social inclusion and environmental sustainability.

### MEMBERSHIP

The membership of *tactran* is prescribed by legislation in the Regional Transport Partnerships (Establishment, Membership and Constitution) (Scotland) Order 2005. As set out in the Order, the *tactran* Board consists of 10 Councillor Members and 4 or 5 non-Councillor Members. Councillor membership comprises 3 Councillors from Dundee City; 3 Councillors from Perth & Kinross; 2 Councillors from Angus and 2 Councillors from Stirling. Non-Councillor appointments are subject to the consent of Scottish Ministers. The Partnership may also appoint any such number of Observers or Advisors as they consider appropriate.

#### Councillor Members

During the year from 1 April 2009 to 31 March 2010 the membership of the Partnership was:

##### Angus Council

Councillor Iain Gaul  
Councillor John Whyte

##### Dundee City Council

Councillor Dave Bowes (from 23/06/2009)  
Councillor Will Dawson (Chair, from 23/06/2009)  
Councillor Brian Gordon  
Councillor Fraser Macpherson (Chair, to 22/06/2009)  
Bailie Rod Wallace (to 22/06/2009)

##### Perth & Kinross Council

Councillor Ann Gaunt  
Councillor Alan Jack (Deputy Chair)  
Councillor John Kellas

##### Stirling Council

Councillor Andrew Simpson (to 30/09/2009)  
Councillor Jim Thomson  
Councillor Colin O'Brien (from 01/10/2009)

The current Council appointments are for 4 years, until the next Council elections in 2011.

The Dundee City Council elected member representation on the Partnership has recently changed. The Partnership's former chair, Councillor Fraser Macpherson, is no longer a member of the Partnership Board.

#### Non-Councillor Members

The Minister for Transport has also appointed five Non-Councillor Members;

##### **Doug Fleming**

Doug has over 45 years experience in the transport industry including Managing Director experience with Travel Dundee and the Stagecoach Group. He retired from the industry in October 2008.

##### **Professor Malcolm Horner**

Malcolm is Emeritus Professor of Engineering Management at the University of Dundee and is a past Chair of Scottish Enterprise Tayside. He has wide experience of working at Board level in both private and public sector organisations and has a deep interest in and understanding of strategic transport and sustainability issues.

##### **Bill Wright**

Bill has over 20 years experience at senior management level in business consultancy and has a long interest and involvement in all aspects of sustainable transport, with particular knowledge and expertise in the fields of walking and cycling. He is a Director of Cycling Scotland and was previously a Director of Sustrans.

### **Gavin Roser**

Gavin has over 40 years of transport experience and he is well known for lateral vision in all modes of freight transport. He comes from a background of senior appointments with road, rail and shipping companies.

### **Professor Tony Wells**

Tony is Chief Executive of NHS Tayside and brings a wealth of knowledge and understanding of health sector policy and strategy to the Partnership. The relationships between transport and health are key aspects of the Regional Transport Strategy (RTS) and Tony's strategic knowledge and experience will inform development of effective policy and delivery linkages across these areas.

### **Advisers**

Regional Transport Partnerships are able to appoint Advisors/Observers, to assist them in their work. *tactran* has agreed to identify appropriate Adviser support through the various Regional Stakeholder Fora it has established to assist in informing the development of the Regional Transport Strategy and associated RTS Delivery Plan.

## **PARTNERSHIP STAFF**

### **Partnership Director**

Eric Guthrie has been employed as Partnership Director since 17 July 2006. He has over 30 years experience in transport, most of this in the fields of public transport co-ordination and transportation policy and planning within Local Government. As the Partnership's Chief Officer, Eric is responsible for ensuring that the Partnership meets all of its statutory duties and for managing the Partnership and its resources.

### **Projects Manager**

Niall Gardiner took up post as Projects Manager on 29 October 2007. He has over 20 years experience working in transportation and engineering with Tayside Regional Council and then Dundee City Council. Niall is responsible for managing the development and implementation of the Partnership's Revenue and Capital delivery programmes, in liaison with partner Councils and other stakeholders.

### **Strategy Manager**

Michael Cairns took up post as Strategy Manager on 19 November 2007. He has over 30 years experience working in public transport coordination, transport planning, traffic engineering and parking management, with local authorities in Scotland, England and Wales. Michael is responsible for managing development and implementation of the Regional Transport Strategy and related sub-strategies, in liaison with partner Councils and other stakeholders.

### **Travel Plan Officer**

Merry Scott took up post as Travel Plan Officer on 1 January 2007. She joined *tactran* from Dundee City Council and has 8 years experience of developing and delivering Travel Plans and associated sustainable travel measures. Merry is responsible for developing and implementing the Partnership's Travel Plan Strategy and Action plan, working with partner Councils, Health Boards, Scottish Government and other public and private sector agencies.

### **Office Manager / Personal Assistant to Director**

Ashley Roger took up post as Office Manager / Personal Assistant to the Director in January 2007. She has 13 years office management / PA experience in the private and public sectors. Ashley is responsible for overseeing all aspects of office management and related administrative, clerical, personnel and financial support to the Partnership's staff and members, and providing PA support to the Partnership Director.

### **Clerical Assistant**

Muriel Muirhead took up post as Clerical Assistant on 1 September 2008. She has administrative and clerical experience in both the private and public sectors. Muriel is responsible for providing all aspects of clerical and administrative support to the Partnership's staff and members, working under the general direction of the Office Manager/PA to Director.

**Further information on *tactran* can be found on the Partnership's website – [www.tactran.gov.uk](http://www.tactran.gov.uk)**

# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## REPORT BY PARTNERSHIP DIRECTOR

### INTRODUCTION

*tactran* is the statutory Regional Transport Partnership covering the Angus, Dundee City, Perth & Kinross and Stirling Council areas. The region covers 12% of mainland Scotland and is home to nearly 10% of Scotland's population.

The Partnership's role is to prepare a Regional Transport Strategy (RTS) and to coordinate its delivery and generally oversee strategic planning and delivery of transport at a regional level, and to engage in Community Planning.

### 2009/10 DEVELOPMENTS AND ACHIEVEMENTS

A number of changes to Partnership membership occurred during the year. Dundee City Council altered its representation on the Partnership Board, replacing Councillor Fraser Macpherson and Baillie Rod Wallace with Councillor Will Dawson and Councillor Dave Bowes. Councillor Dawson was elected Chair of the Partnership in June 2009.

The Partnership approved extension of the non-Councillor member appointments of Professor Tony Wells until 30 June 2010 and Gavin Roser until 30 September 2011. Reflecting the close strategic linkages between regional transportation and land use planning, the Partnership also appointed TAYplan Strategic Development Plan Manager, Pam Ewen, as an Advisor to the Partnership.

In June 2009 the Partnership approved the finalised RTS Delivery Plan. Reflecting the changed operational and funding environment RTPs operate within post-Concordat, the Delivery Plan sets out the Partnership's proposals for successful implementation of the RTS and provides a framework for determining associated Capital and Revenue programmes in collaboration with partner Councils, Scottish Government, Transport Scotland and other delivery stakeholders. The Delivery Plan also identifies how RTS proposals align with National and Local outcomes, as defined within Single Outcome Agreements (SOAs).

The Partnership also approved an RTS Monitoring Framework, against which progress in implementing the RTS will be monitored annually. The Monitoring Framework and associated Performance Indicators have been developed with the aim of ensuring that they link with and complement evolving SOA monitoring frameworks and indicators.

A considerable and growing focus of the Partnership's activity is engaging in and supporting the development of Single Outcome Agreements. The Partnership is a formal signatory to the SOAs agreed between Scottish Government and our 4 Community Planning Partnerships in summer 2009. Supporting the development and implementation of SOAs will remain a significant focus and commitment of the Partnership in moving forward, including aligning our activities and RTS priorities in support of SOA outcomes.

A significant RTS Revenue Programme, totalling £423,000, was progressed during the year. Priority actions included completing the Tay Estuary Rail Study into the scope for short, medium and long term improvements to regional rail services and facilities; a comprehensive study into parking capacity at all 22 stations in the region; undertaking detailed appraisals of proposed strategic Park & Ride facilities at locations around Dundee, Perth and Stirling in line with the Regional Park & Ride Strategy and national priorities in the Strategic Transport Projects Review; enhancing Travel Information to encourage more sustainable transport choices and behaviour, including development of a Scottish "first" in Tactran Connect, a multi-modal travel information web portal, and a Regional Buses Information Strategy; progressing development of Demand Responsive Transport pilots in Dundee and rural Perthshire; enhancing Accessibility Planning information in support of work on emerging Strategic and Local Development Plans; developing a Health & Transport Action Plan in collaboration with Health Boards and Scottish Ambulance Service; contributing to ongoing investigation of options for enhancing Dundee Station; investigating the potential for Freight Consolidation Centres for Perth and Dundee; contributing to a Montrose Port Masterplan study; plus a number of smaller but significant road safety and research initiatives. Ongoing Travel Planning activity included supporting and advising Councils, Health Boards, Universities and other public and private sector organisations on the development and implementation of Active Travel Plans, continued promotion of the Tactran Liftshare scheme, and funding a range of projects, such as workplace cycle lockers and facilities; cycle training, car-sharing etc. through our Sustainable Travel Grant Scheme.

In addition to the Revenue expenditure addressed in these Annual Accounts the Partnership has continued to develop and implement a joint Capital Programme with Dundee City Council and Perth & Kinross Council, totalling £2.001 million/annum across Financial Years 2009/10 and 2010/11. The main projects within this are support for the Dundee Travel Active "Smarter Choices/ Smarter Places" demonstration projects on sustainable travel; linking Ninewells Hospital with the National Cycle Network; development and design work on the "Connect 2" pedestrian/cycle bridge across the Tay in Perth; quality bus corridors; improving Park & Ride facilities; improving strategic road infrastructure around Perth; and improving access to Dundee Port in support of the emerging offshore renewables industry .

## **ACKNOWLEDGEMENTS**

I wish to record my thanks to the Chair, Deputy Chair and all Members of the Partnership for their continued support and commitment. Thanks also due to the Partnership's own staff and the many staff within partner Councils and other stakeholder interest groups for their dedicated support and contributions throughout the year.

I also wish to express sincere thanks and appreciation to the Secretary to the Partnership, Gillian Taylor, the Treasury team of John Symon and Jim Cockburn, and Legal Officer, Ian Innes and their respective staffs, for their excellent support and assistance to the Partnership Board and *tactran* staff throughout the year.



**Eric Guthrie**  
**Partnership Director**

***tactran***

28 June 2010

# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## EXPLANATORY FOREWORD BY TREASURER

### 1 INTRODUCTION

This foreword is presented as a commentary on the overall financial position of *tactran* as shown within the Statement of Accounts for the year ended 31 March 2010 and contains explanations of the major influences on the Partnership's income, expenditure and cash flow.

### 2 ACCOUNTING POLICIES

The Statement of Accounting Policies sets out the basis upon which the Financial Statements have been prepared and explains the accounting treatment of both general and specific items.

### 3 THE FINANCIAL STATEMENTS

#### **Income and Expenditure Account**

This statement sets out the budgeted and actual income and expenditure for the Partnership in line with generally accepted accounting practice in the United Kingdom (UK GAAP).

#### **Statement of Movement on the General Fund Balance**

This statement provides the link between the Income and Expenditure Account and statutory/non-statutory proper accounting practice (i.e. the amounts that require to be charged or credited to the general fund). This statement also identifies the surplus or deficit for the year and the balance carried forward to the next financial year.

#### **Statement of Total Recognised Gains and Losses**

This statement brings together all the recognised gains and losses of the Partnership during the period.

#### **Balance Sheet**

This statement shows the overall financial position of the Partnership as at 31 March 2010.

#### **Cash Flow Statement**

This statement details the inflows and outflows of cash arising from revenue and capital transactions during the year.

#### **Notes to the Core Financial Statements**

These Notes are intended to give the reader further information which is not separately detailed in the financial statements.

### 4 STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL

This statement sets out the framework within which financial control is managed and reviewed. The main components of the system are listed, together with any significant weaknesses that have been identified and the remedial action taken.

### 5 STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

This statement sets out the main financial responsibilities of the Partnership and the Treasurer.

## 6 REVENUE EXPENDITURE

At its meeting on 15 December 2009, the Tayside and Central Scotland Transport Partnership Board approved the 2009/2010 Core Revenue Budget of £440,000 of which £220,000 was met by funding from the Scottish Government. A further £220,000 was requisitioned from the four constituent Councils, as follows (using the Scottish Government methodology based on 95% population and 5% area):

		£
Angus Council	22.9%	50,380
Dundee City Council	28.4%	62,480
Perth and Kinross Council	30.3%	66,660
Stirling Council	18.4%	40,480
Total Council Requisitions		<u>220,000</u>

In addition, £49,000 of budgeted income from the Councils was brought forward from 2008/2009 to fund the travel plan.

The Scottish Government also provided additional revenue funding for the financial year 2009/2010 for specific areas of expenditure and these are listed below:

	£
Regional Transport Strategy Grant	395,000
Travel Plan Grant	35,000

Additionally Perth and Kinross Council provided £50,000 towards the Freight Quality Partnership.

This gave the Partnership a total 2009/2010 budget of £969,000

During 2009/2010, the Partnership Board received revenue and capital monitoring reports in order to keep the members fully appraised as to the projected budget outturn position.

For 2009/2010, the following were the main variances:

### *Roads and Transport (Underspend £26,000)*

This underspend arose as a result of reduced expenditure on the Regional Transport Strategy budget of £18,000, the Sustainable Travel Grant scheme of £5,000 and the core budget of £3,000.

### *Requisitions from Councils (Reduced Income £26,000)*

As a result of reduced level of expenditure, the Partnership did not require the full requisitions due from the four constituent authorities. At the Partnership meeting of 15<sup>th</sup> June 2010 it was agreed that this amount would be used by the Partners to fund the 2010/11 Revenue Budget.

The overall deficit on the Income and Expenditure account is £5,000 which reflects, in accordance with Financial Reporting Standard 17 (Retirement Benefits) ("FRS 17"), the entries required in respect of pension costs.

## 7 GENERAL FUND

The Partnership has, under the Transport Act 2005, no powers to hold a balance on the General Fund. Any underspends are, therefore, treated as creditors repayable to the funder or amounts received in advance from the funding source.



## 8 CAPITAL EXPENDITURE

During 2009/2010, the Partnership did not incur any capital expenditure.

## 9 PENSION LIABILITY (FRS 17)

Under FRS 17, the Partnership is required to include in the Statement of Accounts amounts relating to the assets, liabilities, income and expenditure related to the pension schemes for its employees. It has been estimated that the Partnership had a net pension liability of £848,000 as at 31 March 2010. The estimated net pension liability at 31 March 2009 was £290,000.

The pension liability represents the best estimate of the current value of the pension benefits that will have to be funded by the Partnership. The liability relates to benefits earned by existing or previous employees up to 31 March 2010.

These benefits are expressed in current value terms rather than cash amount that will actually be paid out. This is to allow for the 'time value of money', whereby the value of cash received now is regarded as higher than cash received in, for example, ten years time, since the money received now could be invested and would earn interest or returns during the ten years. In order to adjust the pension liability cash flows for the time value of money a discount factor based on corporate bond rate is used. The corporate bond rate used for the valuation as at 31 March 2010 is significantly lower than that used at 31 March 2009. This has contributed to a significant increase in the estimated current value of the pension liability.

The increase in asset values is in line with the stock market recovery. However, this growth has been insufficient to offset the increase in liabilities.

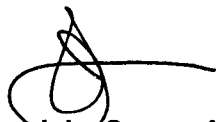
The Chancellor of the Exchequer announced in his Emergency Budget on 22 June 2010 that the consumer price index rather than the retail price index will be the basis for future public sector pension increases. In accordance with paragraph 21 of Financial Reporting Standard 21 (Events after the Balance Sheet Date), this change is deemed to be a non-adjusting post balance sheet event. It is estimated that this change will reduce the value of an average employer's FRS17 liabilities by around 6-8%.

## 10 BALANCE SHEET NET LIABILITIES

The balance sheet at 31 March 2010 shows net liabilities of £848,000. This net liability position reflects the inclusion of net pension liabilities of £848,000 falling due in future years and arising from the application of FRS 17. It is appropriate to adopt a going concern basis for the preparation of the financial statements as the constituent authorities have a legal obligation under the Transport (Scotland) Act 2005 to provide the Partnership with funding to meet all liabilities as they fall due.

## 11 ACKNOWLEDGEMENTS

During the 2009/2010 financial year the Partnership's financial position has required continuous scrutiny and strict budgetary control. I would wish to place on record my appreciation of the excellent work carried out by the Partnership's officers, supported by the officers of Perth and Kinross Council, in the financial management of the Partnership and in the preparation of the 2009/2010 Statement of Accounts.



**John Symon ACA**  
Treasurer  
*tactran*  
28 June 2010

# **TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP**

## **STATEMENT OF ACCOUNTING POLICIES**

### **GENERAL**

This Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom - A Statement of Recommended Practice 2009 (SORP).

The Statement of Accounts is intended to present a true and fair view of the financial position of the Partnership and has been prepared in accordance with the fundamental accounting principles of relevance, reliability, comparability, understandability and materiality. The financial statements, other than the Cash Flow Statement, have been prepared on an historic cost basis.

### **REVENUE TRANSACTIONS**

Revenue transactions are included in the accounts on an accruals basis, they are recognised as they are earned or incurred, not as money is received or paid.

### **REVENUE DEBTORS AND CREDITORS**

All specific and material sums payable to and due by the Partnership as at 31 March 2010 have been brought into account. All salaries and wages payable up to 31 March 2010 are included in the Statement of Accounts for that year, irrespective of when actual payments were made. Sundry creditors and debtors include all specific accruals in respect of further material items.

### **LEASES**

Leases are categorised as either "finance" or "operating", in accordance with Statement of Standard Accounting Practice 21 (Accounting for Leases and Hire Purchase Contracts). Reference is also made to Financial Reporting Standard 5 (Reporting the Substance of Transactions) in determining the appropriate categorisation.

Where the Partnership is the lessee in an operating lease, the rentals payable (net of benefits received or receivable) are charged to revenue on a straight line basis over the term of the lease.

### **GOVERNMENT GRANTS**

The Partnership received substantial grant funding from the Scottish Government in 2009/2010. This was used to partly finance the Partnership's expenditure programme. Government grants are accounted for on an accruals basis and are credited to the Income and Expenditure account.

### **INSURANCE**

Expenditure included in the Statement of Accounts relates to premiums paid.

### **VALUE ADDED TAX**

Value Added Tax is included in the Statement of Accounts only to the extent that it is irrecoverable.

## **FINANCIAL INSTRUMENTS**

In the notes to the financial statement, financial instruments are required to be shown at fair value. Fair value is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no other motive in their negotiations other than to secure a fair price.

## **PENSIONS**

In accordance with the SORP, FRS 17 has been implemented in full in preparing the accounts for 2009/2010.

FRS 17 requires that the financial statements reflect at fair value the assets and liabilities underlying the employer's obligations relating to retirement benefits, and that the true cost of these obligations is recognised.

The Actuary to the Tayside Superannuation Fund was commissioned by the Partnership to undertake an assessment of the cost, income, assets and liabilities of the Fund attributable to the Partnership at 31 March 2010. The Actuary's assessment of the true cost of retirement benefits earned by employees during the year has been charged against Services in the Income and Expenditure Account whilst the pensions assets and liabilities attributable to the Partnership are reflected within the Balance Sheet. Under the Local Government Pension Reserve Fund (Scotland) Regulations 2003, the Partnership has established a Pensions Reserve to account for its long term net pension's liability.

## **PRIOR PERIOD ADJUSTMENT**

Prior period adjustments are material adjustments applicable to prior years, arising from changes in accounting policies or the correction of fundamental errors. In accordance with Financial Reporting Standard 3 (Reporting Financial Performance), prior period adjustments are accounted for by restating the comparative figures for the preceding period in the Statement of Accounts and Notes.

## **GOING CONCERN**

The balance sheet at 31 March 2010 shows net liabilities of £848,000. This net liability position reflects the inclusion of net pension liabilities of £848,000 falling due in future years and arising from the application of FRS 17. It is appropriate to adopt a going concern basis for the preparation of the financial statements as the constituent authorities have a legal obligation under the Transport (Scotland) Act 2005 to provide the Partnership with funding to meet all liabilities as they fall due.

# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2010

2008/09 £000	Note	Gross Expenditure £000	Gross Income £000	Net (Income)/ Expenditure £000	Budgeted Net (Income)/ Expenditure £000
<b>SERVICES</b>					
144	Roads and Transport	879	748	131	157
34	Corporate & Democratic Core	51	0	51	50
<u>178</u>	<b>NET COST OF SERVICES</b>	<u>930</u>	<u>748</u>	<u>182</u>	<u>207</u>
(31)	Interest and Investment Income			(1)	0
45	Pensions Interest Costs and Expected Return on Pension Assets			18	18
<u>192</u>	<b>NET OPERATING EXPENDITURE</b>			<u>199</u>	<u>225</u>
(162)	Constituent Council Requisitions			(194)	(220)
<u>30</u>	<b>DEFICIT FOR THE YEAR</b>			<u>5</u>	<u>5</u>

# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE

For the year ended 31 March 2010

The Income and Expenditure account shows the Partnership's actual financial performance for the year, measured in terms of the resources consumed and generated over the last twelve months. However, the Partnership is funded on a different accounting basis, the main difference being that retirement benefits are charged as amounts become payable to pension funds and pensioners, rather than as future benefits are earned.

<i>2008/09</i>		<b>2009/10</b>
<i>£000</i>		<b>£000</b>
30	Deficit in the Income and Expenditure Account	5
(30)	Net Additional Amount required by Statute or Non-Statutory Proper Practices to be credited to the General Fund Balance for the year (Note 8)	(5)
<hr/> <u>0</u>	<b>General Fund Surplus</b>	<hr/> <u>0</u>
0	General Fund Balance Brought Forward	0
<hr/> <u>0</u>	General Fund Balance Carried Forward	<hr/> <u>0</u>

## TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 March 2010

This statement brings together all the gains and losses of the Partnership for the year and shows the aggregate increase or decrease in its net worth. In addition to the surplus or deficit on the Income and Expenditure account, it includes gains and losses relating to re-measurement of the net liability to cover the cost of retirement benefits.

<i>2008/09</i>		<b>2009/10</b>
<i>£000</i>		<b>£000</b>
30	Deficit on the Income and Expenditure Account for the Year	5
18	Actuarial Loss on Pension Assets and Liabilities (Note 7)	553
<u>48</u>	<b>Total Recognised Loss for the Year</b>	<u>558</u>

TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

BALANCE SHEET

As at 31 March 2009 £000    £000		Notes	As at 31 March 2010 £000    £000	
<b>Current Assets</b>				
111	Debtors	11	144	
<u>166</u>	Cash and Bank		<u>209</u>	
277			353	
<b>Less Current Liabilities</b>				
<u>(277)</u>	Creditors	12	<u>(353)</u>	
0		<b>Total Assets less Current Liabilities</b>		
0			0	
(290)	Net Pension Liabilities	7	(848)	
<u>(290)</u>	<b>Net Liabilities</b>		<u>(848)</u>	
<b>Financed by Fund Balances and Reserves:</b>				
0	General Fund		0	
(290)	Pensions Reserve		(848)	
<u>(290)</u>			<u>(848)</u>	



J Symon ACA  
Treasurer  
*tactran*

The unaudited accounts were issued on 28 June 2010  
and the audited accounts were authorised for issue on 9 September 2010

# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## CASH FLOW STATEMENT

2008/09			2009/10	
£000	£000	Notes	£000	£000
<b>Revenue Activities</b>				
Cash Outflows:				
279			295	
<u>4,213</u>			<u>1,165</u>	
	4,492			1,460
Cash Inflows:				
(185)			(132)	
(59)			(57)	
<u>(610)</u>			<u>(1,312)</u>	
	<u>(854)</u>			<u>(1,501)</u>
3,638		<b>15</b>		(41)
<b>Net Cash (Inflow)/Outflow from Revenue Activities</b>				
<b>Returns on Investment and Servicing of Finance</b>				
Cash Inflows:				
(29)				(2)
<u>3,609</u>		<b>16</b>		<u>(43)</u>
<b>Net (Increase)/Decrease in Cash</b>				



# TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

## NOTES TO THE CORE FINANCIAL STATEMENTS

### 1 ACQUIRED AND DISCONTINUED OPERATIONS

In 2009/2010 there were no acquired or discontinued operations.

### 2 EXCEPTIONAL AND EXTRAORDINARY ITEMS

In 2009/2010 there were no exceptional or extraordinary items.

### 3 PUBLICITY ACCOUNT

Section 5 of the Local Government Act 1986 requires the Partnership to keep a separate account of expenditure on publicity. During 2009/2010 the Partnership incurred the expenditure shown below on publicity:

2008/09		2009/10	
£		£	
11,283	Employment Advertising	11,217	
33,350	Publicity Advertising	26,895	
<u>44,633</u>		<u>38,112</u>	

### 4 OFFICERS REMUNERATION

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £10,000 were:

Number of Employees 2008/09	Salary Banding	Number of Employees 2009/10
1	£70,000 - £79,999	1

### 5 TRANSACTIONS WITH RELATED PARTIES

The four constituent Councils are considered to be related parties of *tactran*, in terms of the Accounting Code of Practice, as both *tactran* and the Councils are subject to common control by Central Government. During the 2009/2010 financial year, the Partnership entered into a number of transactions with the constituent Councils and these are detailed as follows:

2008/09			2009/10	
Income From £	Payments To £		Income From £	Payments To £
		<b>Angus Council</b>		
(37,167)	0	<i>tactran</i> Requisition	(44,471)	0
0	0	Other Income	(4,429)	0
0	3,725	Third Party Payments	0	11,992
<u>(37,167)</u>	<u>3,725</u>		<u>(48,900)</u>	<u>11,992</u>
		<b>Dundee City Council</b>		
(46,083)	0	<i>tactran</i> Requisition	(55,091)	0
0	0	Other Income	(25,553)	0
0	1,804	Supplies and Services	0	4,495
0	27,250	Third Party Payments	0	1,135

2008/09		2009/10	
Income From £	Payments To £	Income From £	Payments To £
(46,083)	29,054	(80,644)	5,630

In 2007/08 Tactran deposited £600,000 with Transport Scotland as a contribution towards measures to relieve traffic congestion at Swallow Roundabout, Dundee. This project has been deferred as a result of Transport Scotland's Strategic Transport Projects Review (STPR Project 29 refers) and during 2009/10 Tactran Partnership Board agreed to re-allocate the monies to improving road links to Dundee Port.

During financial year 2009/2010 Tactran received the £600,000 back from Transport Scotland and made payment of £600,000 to Dundee City Council. These amounts are not shown in the Income and Expenditure Account as they were previously accounted for in financial year 2007/2008.

		<b>Perth &amp; Kinross Council</b>		
(49,169)	0	tactran Requisition	(58,777)	0
(30,935)	0	Interest Receivable	(576)	0
0	0	Other Income	(46,272)	0
0	9,443	Supplies and Services	0	9,279
0	10,946	Third Party Payments	0	5,650
0	24,000	Central Support Services	0	39,000
0	0	Property Costs	0	9,080
(80,104)	44,389		(105,625)	63,009
		<b>Stirling Council</b>		
(29,859)	0	tactran Requisition	(35,693)	0
0	0	Other Income	(3,598)	0
0	14,212	Supplies and Services	0	2,086
0	48,432	Third Party Payments	0	85,928
(29,859)	62,644		(39,291)	88,014

## 6 EXTERNAL AUDIT FEES

The external auditors of the Partnership are appointed by the Accounts Commission for Scotland, for a period of 5 years. The total fee payable to Henderson Loggie in respect of the 2009/2010 financial year, for external audit services undertaken in accordance with the Code of Audit Practice is £10,930 (2008/2009 £11,150). During 2009/2010, the external auditor did not provide any other services to the Partnership other than the duties undertaken in accordance with the Code of Audit Practice.

## 7 PENSION COSTS

### The Pension Scheme

In accordance with Financial Reporting Standard 17 (Retirement Benefits) (FRS 17), the Partnership is required to include figures in its Statement of Accounts relating to assets, liabilities and income and expenditure related to the pension scheme for its employees. The standard requires employing organisations to account for retirement benefits in the period in which they are committed to give them, even if the actual payment of these benefits will be many years in the future.

The Partnership participates in the Local Government Superannuation Scheme (Tayside Superannuation Fund), which is administered by Dundee City Council and is a Defined Benefits Scheme. The Partnership is recognised as a Scheduled Body within the Superannuation Regulations and therefore its employees can be admitted to the Fund. FRS 17 information is provided by Barnett Waddingham LLP, the independent actuaries to the Fund.

Under Pension Regulations, employer's contribution rates are set to meet 100% of the overall liabilities of the Fund. In 2009/2010 the Partnership paid an employer's contribution of £45,607 (2008/2009 £41,580) into the Tayside Superannuation Fund. This figure is projected to be £46,920 for 2010/11.

#### Movement in Pension Liability

The movement in the Fund during 2009/2010 attributable to the Partnership is analysed below in accordance with CIPFA/LASAAC guidelines:

2008/09			2009/10	2009/10
£	£		£	£
	(242,057)	Deficit at beginning of the year		(289,710)
(26,025)		Current Service Cost	(32,487)	
41,580		Employer Contributions	44,607	
0		Past Service Cost	0	
<u>(45,350)</u>		Expected Net Return on Assets in the Scheme	<u>(17,515)</u>	
	(29,795)			(5,395)
	(17,858)	Actuarial Gains / (Losses)		(553,189)
	<u>(289,710)</u>	Deficit at the end of the year		<u>(848,294)</u>

### Amount Charged to the Income and Expenditure Account

The table below summarises the entries reflected within the Income and Expenditure account in respect of accounting for pension costs under FRS 17:

<i>2008/09</i> £		<b>2009/10</b> £	<b>2009/10</b> £
	<b>Net Cost of Services:</b>		
26,025	Current Service Cost		32,487
0	Past Service Cost		0
26,025	Total Operating Charge		32,487
	<b>Net Operating Expenditure:</b>		
(28,430)	Expected Return on Scheme Assets	(56,065)	
73,780	Interest on Pension Scheme Liabilities	73,580	
45,350	Net Charge		17,515
<b>71,375</b>	<b>Net Charge to the Income and Expenditure Account</b>		<b>50,002</b>

### Assets and Liabilities in relation to Retirement Benefits

Reconciliation of Opening and Closing Balances of the Fair Value of Scheme Assets:

<i>31 March</i> <i>2009</i> £		<b>31 March</b> <b>2010</b> £
288,121	Opening Fair Value of Scheme Assets	783,287
28,430	Expected Return on Scheme Assets	56,065
227,156	Actuarial Gains	231,470
41,580	Contributions by Employer including Unfunded Pensions	44,607
13,200	Contributions by Scheme participants	18,779
184,800	Estimated Benefits Paid (Net of Transfers In)	0
<b>783,287</b>	Fair Value of Scheme Assets at End of Period	<b>1,134,208</b>

Reconciliation of Opening and Closing Balances of the Present Value of the Defined Benefit Obligation:

<i>31 March</i> <i>2009</i> £		<b>31 March</b> <b>2010</b> £
530,178	Opening Defined Benefit Obligation	1,072,997
26,025	Service Cost	32,487
73,780	Interest Cost	73,580
245,014	Actuarial Losses	784,659
184,800	Estimated Benefits Paid (Net of Transfers In)	0
13,200	Contributions by Scheme participants	18,779
<b>1,072,997</b>	Closing Defined Benefit Obligation	<b>1,982,502</b>

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in respective markets.

The actual return on scheme assets in the year was £286,535 (2008/2009 (£175,610)).

## Scheme History

Amounts for the current and previous periods (for consistency, all assets have been shown at bid price, estimated where necessary, for all periods):

	Year to 31 March 2008 £	Year to 31 March 2009 £	Year to 31 March 2010 £
Present Value of Liabilities	(530,178)	(1,072,997)	(1,982,502)
Fair Value of Scheme Assets	288,121	783,287	1,134,208
(Deficit) of the Scheme	<u>(242,057)</u>	<u>(289,710)</u>	<u>(848,294)</u>

The liabilities show the underlying commitments that the Partnership has in the long run to pay retirement benefits. The total liability of £848,000 has a substantial impact on the net worth of *tactran* as recorded in the Balance Sheet, resulting in a negative overall balance of £848,000. However, statutory arrangements for funding the deficit mean that the financial position of the Partnership remains healthy. The projected net liability on the Tayside Superannuation Fund will be recouped as necessary by increased employer's contributions, as assessed by the scheme actuary.

## History of Experience Gains and Losses

The actuarial gains/(losses) identified as movements on the Pensions Reserve in 2009/2010 can be analysed into the following categories, measured as a percentage of assets or liabilities at 31 March 2010.

	Year to 31 March 2008 £	Year to 31 March 2009 £	Year to 31 March 2010 £
Experience adjustments on the scheme assets	(33,214)	227,156	230,470
Present Value of Assets	288,121	783,287	1,134,208
Percentage of Assets	<u>(11.5%)</u>	<u>29.0%</u>	<u>20.3%</u>
Experience adjustments on the scheme liabilities	0	(477,481)	0
Present Value of Liabilities	(530,178)	(1,072,997)	(1,982,502)
Percentage of Liabilities	<u>0.0%</u>	<u>44.5%</u>	<u>0.0%</u>

## Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. The Tayside Superannuation Fund has been assessed by Barnett Waddingham, an independent firm of actuaries, based on the latest triennial actuarial valuation as at 31 March 2008.



## 9 FINANCE AND OPERATING LEASES

### *Partnership as Lessee*

The Partnership held no assets on finance lease during 2009/2010 (2008/2009: None) and, accordingly, there were no finance lease rentals paid to lessors during 2009/2010 (2008/2009: None). The Partnership occupies office premises in Perth on an operating lease which commenced in November 2006. The lease is for a period of 3 years. The annual rent is £12,000 to be reviewed in November 2012.

### *Partnership as Lessor*

The Partnership had no assets leased to third parties on finance or operating leases during 2009/2010 (2008/2009: None).

## 10 CONTINGENT ASSETS AND LIABILITIES

No contingent assets or liabilities existed at 31 March 2010 (2008/2009: None).

## 11 DEBTORS

<i>2008/09</i> £ 000		<b>2009/10</b> <b>£ 000</b>
	<u>Current (Due within 1 year)</u>	
53	Government Grants	0
40	Revenues and Customs	48
0	Angus Council	2
0	Dundee City Council	2
18	Perth and Kinross Council	92
<u>111</u>		<u>144</u>

## 12 CREDITORS

<i>2008/09</i> £ 000		<b>2009/10</b> <b>£ 000</b>
26	Angus Council	8
28	Dundee City Council	27
5	Government Grants (Paid in advance or repayable)	0
67	Perth and Kinross Council	73
56	Stirling Council	28
95	Other	217
<u>277</u>		<u>353</u>

### 13 BALANCES WITH RELATED PARTIES

The four Constituent Councils are considered to be related parties of *tactran*, in terms of the Accounting Code of Practice, as both are subject to common control by Central Government. The following balances existed between the Partnership and its related parties as at 31 March 2010.

2008/09 Amount Due To/(From) Received In Advance From £		2009/10 Amount Due To/(From) Received In Advance From £
<b>Angus Council</b>		
22,258	<i>tactran</i> Requisition	4,355
3,725	Third Party Payments	1,992
<u>25,983</u>		<u>6,347</u>
<b>Dundee City Council</b>		
27,605	<i>tactran</i> Requisition	5,401
707	Supplies and Services	0
0	Third Party Payments	20,000
<u>28,312</u>		<u>25,401</u>
<b>Perth &amp; Kinross Council</b>		
(1,686)	Interest Receivable/(Payable)	(392)
13,543	<i>tactran</i> Requisition	(44,233)
0	Other Income	(40,348)
25,396	Staff Costs	52,698
676	Supplies and Services	7,685
10,946	Third Party Payments	5,000
<u>48,875</u>		<u>(19,590)</u>
<b>Stirling Council</b>		
17,885	<i>tactran</i> Requisition	4,787
38,202	Third Party Payments	19,380
551	Supplies and Services	4,000
<u>56,638</u>		<u>28,167</u>

### 14 EVENTS AFTER THE BALANCE SHEET DATE

The Chancellor of the Exchequer announced in his Emergency Budget on 22 June 2010 that the consumer price index rather than the retail price index will be the basis for future public sector pension increases. In accordance with paragraph 21 of Financial Reporting Standard 21 (Events after the Balance Sheet Date), this change is deemed to be a non-adjusting post balance sheet event. It is estimated that this change will reduce the value of an average employer's FRS17 liabilities by around 6-8%.



**15 RECONCILIATION OF REVENUE ACCOUNT DEFICIT TO NET CASH FLOW FROM REVENUE ACTIVITIES**

2008/09			2009/10	
£000	£000		£000	£000
(30)		Deficit for year per the Income and Expenditure Account	(5)	
		<b>Items on a Non-Cash Basis</b>		
<u>30</u>		FRS 17 Adjustments (Note 8)	<u>5</u>	
	0	<b>Items on an Accrual Basis</b>		0
31		Movement in Debtors	(33)	
<u>(3,640)</u>		Movement in Creditors	<u>76</u>	
	(3,609)			43
		<b>Items Classified Elsewhere in the Cash Flow Statement</b>		
<u>(29)</u>		Interest Receivable	<u>(2)</u>	
	(29)			(2)
	<u>(3,638)</u>	<b>Net Cash (Outflow)/Inflow from Revenue Activities</b>	<u>41</u>	

**16 RECONCILIATION OF THE MOVEMENT IN CASH TO THE MOVEMENT IN NET FUNDS**

	2009/10 £000
Increase in Cash in the Period	43
Change in Net Funds	<u>43</u>
Opening Net Funds at 1 April 2009	166
Closing Net Funds at 31 March 2010	<u><u>209</u></u>

**Analysis of Movement in Net Funds**

	1 April 2009 £000	Cash Flows £000	31 March 2010 £000
Net Cash and Bank	166	43	209
<b>Total Net Funds</b>	<u>166</u>	<u>43</u>	<u>209</u>

## 17 FINANCIAL INSTRUMENT BALANCES

Accounting regulations require that the “financial instruments” shown on the balance sheet be further analysed into various defined categories.

Financial liabilities and financial assets represented by loans and receivables are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- the fair value of trade and other receivables is taken to be the invoiced or billed amount

The fair value of an instrument is determined by calculating the Net Present Value (NPV) of future cash flows, which provides an estimate of the value of payments in the future in today's terms.

### FAIR VALUE OF FINANCIAL ASSETS CARRIED AT AMORTISED COST (Less than 12 months)

	31 March 2009		31 March 2010	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Cash	166	166	209	209
	<u>166</u>	<u>166</u>	<u>209</u>	<u>209</u>

### NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Partnership's activities expose it to a variety of financial risks:

- credit risk – the possibility that other parties might fail to pay amounts due to the Partnership
- liquidity risk – the possibility that the Partnership might not have funds available to meet its commitments to make payments
- market risk – the possibility that financial loss might arise for the Partnership as a result of changes in such measures as interest rates.

#### Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Partnership's customers. The Partnership places deposits with The Co-Operative Bank and Perth and Kinross Council.

The following analysis summarises the Partnership's potential maximum exposure to credit risk, based on past experience and current market conditions. No credit limits were exceeded during the financial year and the Partnership expects full repayment on the due date of deposits placed with its counterparties.

	Amounts at 31 March 2010 £000	Historical experience of default %	Historical experience adjusted for market conditions as at 31 March 2010 %	Estimated maximum exposure to default and uncollectability £000
Deposits with banks and other financial institutions	209	0	0	0
Customers	144	0	0	0
<b>Total</b>	<b>353</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Debtors

The Partnership does not generally allow credit for customers, such that no amount of the balance is past its due date for payment. The level of debtors can be analysed by age as follows:

	<b>31 March 2010</b> <b>£000</b>
Less than three months	144
<b>Total</b>	<b>144</b>

### **Liquidity Risk**

The Partnership has deposits with both The Co-operative Bank and Perth and Kinross Council, both of which are on-call with immediate access. Therefore, there is no significant risk that the Partnership will be unable to raise finance from these sources to meet its commitments under financial instruments.

## **18 AUTHORISATION OF ACCOUNTS**

The Statement of Accounts have been authorised for issue by John Symon, Treasurer on 28 June 2010.

**STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL**

This statement is given in respect of the 2009/2010 Statement of Accounts for the Tayside and Central Scotland Transport Partnership. We acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated in connection with the resources concerned.

The system 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.

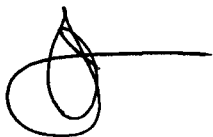
The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Development and maintenance of the system is undertaken by senior officials and staff of the Partnership. In particular, the system includes:

- a revenue budget system;
- the preparation of regular financial reports which indicate actual expenditure against the forecasts;
- annual financial reports which indicate actual financial performance against budget;
- clearly defined financial regulations, powers of delegation and scheme of administration; and
- setting targets to measure financial and other performance

Our review of the effectiveness of the system of internal financial control is informed by:

- the work of senior officials and staff of the Partnership;
- assurances received from the Partnership Board; and
- the external auditors in their annual audit letter and any other reports

In conclusion, we are not aware of any significant weaknesses or failures in the Partnership's system of internal financial control that could have a material effect on the operations of the Partnership.



**John Symon ACA**  
**Treasurer**  
*tactran*  
28 June 2010



**Eric Guthrie**  
**Partnership Director**  
*tactran*  
28 June 2010

**STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**

**The Partnership's responsibilities**

The Partnership is required to:

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

**The Treasurer's responsibilities**

The Treasurer is responsible for the preparation of the Partnership's statement of accounts in accordance with proper practices set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing this statement of accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Code of Practice.

The Treasurer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Statement of Accounts present a true and fair view of the financial position of the Partnership at the accounting date and its income and expenditure for the year ended 31 March 2010.



**John Symon ACA**  
**Treasurer**  
*tactran*  
**28 June 2010**

## **Independent auditors' report to the members of Tayside and Central Transport Partnership and the Accounts Commission for Scotland**

We certify that we have audited the financial statements of Tayside and Central Scotland Transport Partnership (Tactran) for the year ended 31 March 2010 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Income and Expenditure Account, Statement of Movement on General Fund Balance, Statement of Total Recognised Gains and Losses, Balance Sheet and Cash Flow Statement, and the related notes and the Statement of Accounting Policies. 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 Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 123 of the Code of Audit Practice approved by the Accounts Commission for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

### **Respective responsibilities of the Treasurer and auditor**

The Treasurer's responsibilities for preparing the financial statements in accordance with relevant legal and regulatory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2009 - A Statement of Recommended Practice (the 2009 SORP) are set out in the Statement of Responsibilities for the Statement of Accounts.

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

We report our opinion as to whether the financial statements give a true and fair view, in accordance with relevant legal and regulatory requirements and the 2009 SORP, and have been properly prepared in accordance with the Local Government (Scotland) Act 1973.

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

We review whether the Statement on the System of Internal Financial Control reflects compliance with the SORP, and we report if, in our opinion, it does not. We are not required to consider whether this statement covers all risk and controls, or form an opinion on the effectiveness of Tactran's corporate governance procedures or its risk and control procedures.

We 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 Members and Officials 2009/10, the Report by Partnership Director and the Explanatory Foreword by Treasurer. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## Basis of audit opinion

We conducted our audit in accordance with Part VII of the Local Government (Scotland) Act 1973 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 Accounts Commission. Our audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Treasurer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to Tactran's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with relevant legal and regulatory requirements and the 2009 SORP, of the financial position of Tayside and Central Scotland Transport Partnership as at 31 March 2010 and the income and expenditure of Tayside and Central Scotland Transport Partnership for the year then ended; and
- have been properly prepared in accordance with the Local Government (Scotland) Act 1973.

*Henderson Loggie.*

**Henderson Loggie**  
Chartered Accountants  
Registered Auditors  
Royal Exchange  
Panmure Street  
Dundee  
DD1 1DZ

9 September 2010