

**TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP****20 SEPTEMBER 2022****DRAFT AUDITED ANNUAL ACCOUNTS 2021/22 AND  
DRAFT ANNUAL AUDIT REPORT TO THE MEMBERS OF  
TACTRAN AND THE CONTROLLER OF AUDIT  
FOR THE YEAR ENDED 31 MARCH 2022****JOINT REPORT BY THE TREASURER AND DIRECTOR**

This report presents the Partnership's 2021/22 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 2022, as attached at Appendix 1;
- (ii) Approves the 2021/22 Audited Annual Accounts at Appendix 2 and authorises the Partnership Chair, Director and Treasurer to sign them;
- (iii) Authorises the Treasurer to sign the Letter of Representation as attached at Appendix 3.

**2 BACKGROUND**

- 2.1 Regional Transport Partnerships were required to submit their 2021/22 Unaudited Annual Accounts to the Controller of Audit by 30 June 2022, with Audited Annual Accounts to be submitted by 30 September 2022.
- 2.2 The Annual Accounts are prepared in accordance with the 2021 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 Unaudited Annual Accounts were approved for submission to the external auditor at the Partnership's meeting on 14 June 2022 (Report RTP/22/13 refers) and were formally submitted in advance of the statutory deadline of 30 June 2022.
- 2.4 The Unaudited Annual Accounts were available for public inspection between 1 July and 21 July 2022 (inclusive). During this period KPMG received no objections to the draft Accounts.

### 3 DISCUSSION

- 3.1 The audit of the 2021/22 Annual Accounts took place between July and early September 2022. 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 2022 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 2021/22 audit are set out on page 14 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 2022.
- 3.4 The key messages from the 2021/22 audit are set out under two key themes on pages 17 and 18 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.
- Risks are managed through the implementation of the risk management policy. Identified risks are recorded, assessed and tracked in the risk register. 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.
- The Partnership prepared a short term financial budget for 2022/23 which shows a small deficit funded through the general reserve and is supported by sufficient levels of income to manage any liabilities as they fall due.
- 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 2021/22 Unaudited Accounts by the Board in June 2022, there were a few presentational adjustments during the audit process. These adjustments have no impact on the level of resources available to the Partnership.
- 3.6 At this time the 2021/22 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 2021/22 Accounts and Annual Audit Report for the year ended 31 March 2022 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**

No 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.