

**LOTHIAN & BORDERS  
COMMUNITY JUSTICE AUTHORITY  
(L&B CJA)**

Audited Financial Statements 2009/10

# **Lothian & Borders Community Justice Authority (L&B CJA)**

## **Statement of Accounts**

Year to 31 March 2010

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## FOREWORD BY THE CHIEF OFFICER

### Introduction

The audited Statement of Accounts presents the financial position and performance of the Lothian & Borders Community Justice Authority for the year to 31 March 2010. This foreword describes briefly the nature and purpose of each of the statements which follow and the principal items of interest or note which are contained within the accounts.

Community Justice Authorities were established under the Management of Offenders etc. (Scotland) Act 2005 with the overall aim of providing a strategic level for planning, managing performance and reporting on the performance of the local authorities and their statutory partners who coordinate offender services. Lothian & Borders Community Justice Authority (L&B CJA) commenced operation in November 2006.

The constituent councils of L&B CJA are City of Edinburgh, East Lothian, Midlothian, Scottish Borders and West Lothian. In 2009/10 the CJA allocated grants to its constituent councils to deliver an approved programme of Criminal Justice Social Work Services.

The Statement of Accounts comprise the following financial statements and accompanying explanatory notes:

- **Statement of Accounting Policies**

The Statement of Accounting Policies explains the basis for the recognition, measurement and disclosure of transactions and other events shown in the Statement of Accounts.

- **Income and Expenditure Account**

The Income and Expenditure Account reports the net cost for the year of the services which the CJA is responsible for providing and shows how the cost of these services has been financed from general government grants.

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

This statement reconciles the financial position shown in the Income and Expenditure Account to the movement on the CJA's General Fund Balance.

- **Statement of Total Recognised Gains & Losses**

This statement brings together all gains and losses recognised during the financial year.

- **Balance Sheet**

This sets out the overall financial position of the CJA.

- **Cash Flow Statement**

This statement complements the Income and Expenditure Account and Balance Sheet by disclosing the inflows and outflows of cash to and from the CJA in the course of the year.

- **Statement of Responsibilities for the Statement of Accounts**

This statement sets out the respective responsibilities of the CJA and the Chief Officer for the accounts.

- **Statement of Internal Financial Control**

This sets out the framework within which financial control is managed and reviewed and the main components of the financial control system, including the arrangements for Internal Audit.

## FOREWORD BY THE CHIEF OFFICER

### Financial Performance

#### Revenue Grant

For 2009/10, the CJA is required to present its financial performance as an Income and Expenditure Account. This can be seen on page 7. The Income and Expenditure Account complies with UK GAAP (Generally Accepted Accounting Practice). The outturn position is summarised below:

	£'000
Gross S27 Expenditure per the Income & Expenditure Account	14,673
Gross Administration Expenditure per the Income & Expenditure Account	214
Total Gross Expenditure of the Partnership in 2009/10	<u>14,887</u>
Scottish Government S27 Grant	(14,673)
Scottish Government CJA Administration Grant	(211)
Other Operating Income	<u>(3)</u>
Total Net Expenditure for Revenue Grant Purposes in 2009/10	<u><u>0</u></u>

#### Revenue Budget Performance

Although the Income and Expenditure Account shows a nil balance, the following should be noted:

Scottish Government S27 Grant was allocated in full across the Constituent Councils. Details of this expenditure are included in S27 returns on pages 19 to 24.

Scottish Government CJA Administration Grant had a cumulative underspend of £3,572 at 31 March 2010, which was carried forward into 2010/11 pending a decision by Scottish Government on its future use by the CJA or repayment to Scottish Government. This included £1,558 carried forward from 2008/09. The CJA holds a further balance of £3,047 at 31 March 2010, principally through interest earned on the CJA's Section 27 Grant Bank Account.

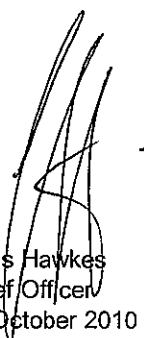
#### FRS 17 - Retirement Benefits

Financial Reporting Standard (FRS) 17 is based on the principle that an organisation should account for retirement benefits at the point at which it commits to paying them, rather than when payment actually falls due.

The decision has been taken not to comply with FRS 17 for the purpose of these accounts on the grounds that the amounts involved are immaterial. This position will be subject to ongoing review.

#### Financial Instruments

The 2007 Statement of Recommended Practice stipulates that information required by FRS25 Financial Instruments: Presentation and Disclosures; FRS26 Financial Instruments: Recognition and Measurement; and FRS29 Financial Instruments: Disclosures; be disclosed by way of a note in the financial statements. L&B CJA is primarily grant funded on an annual basis and the Authority holds only minimum financial instruments on its balance sheet, represented by debtors and creditors. The Authority has no long term debt or investments and so much of the disclosure notes for financial instruments are not appropriate for inclusion in the accounts. This position is reviewed regularly and wider disclosure will be made at such time as the Authority's financial instruments become material.



Chris Hawkes  
Chief Officer  
27 October 2010

## STATEMENT OF ACCOUNTING POLICIES

The Accounts for the year ended 31 March 2010 have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice (SORP) and the Best Value Accounting Code of Practice (BVACOP). This is to ensure that the Accounts provide a true and fair view of the financial position and transactions of L&B CJA.

The accounts have been prepared on a historic cost basis.

### Income and Expenditure

- The Income and Expenditure Account has been prepared on an accruals basis in accordance with the Code of Practice.
- Government Grants have been accounted for on an accruals basis.

### Operating Leases

Premises rental and car lease payments under operating leases are charged to the Income and Expenditure Account on a straight line basis over the period of the lease.

### Charges for use of Fixed Assets

For 2009/10, the de-minimus for accounting for fixed assets has been agreed at £3,000. Transactions below this are therefore treated as revenue expenditure for the purpose of these accounts. In 2008/09, the de-minimus for accounting for fixed assets was £10,000. This change in policy requires re-statement of the 2008/09 Balance Sheet.

### Tangible Fixed Assets

- **Categories of Assets**

Tangible Fixed Assets are categorised into the following classes:

Operational Assets

Vehicles, Plant, Furniture and Equipment

- **Recognition**

Expenditure on the acquisition, creation or enhancement of fixed assets has been capitalised on an accruals basis.

- **Depreciation**

Depreciation is provided on all fixed assets.

The Partnership does not depreciate its fixed assets in the year of acquisition. Thereafter depreciation is provided on a straight line basis over the expected life of the asset, in line with the following periods:

ICT equipment            4 years

- **Measurement of Operational Assets**

Vehicles, Plant, Furniture and Equipment are included in the Balance Sheet at the lower of net current replacement cost or net realisable value in existing use, net of depreciation.

## **STATEMENT OF ACCOUNTING POLICIES**

### **Pensions**

Lothian and Borders CJA participates in the Scottish Borders Council Pension Fund, which is a Local Government Pension Scheme (LGPS). The pension costs charged to the Income and Expenditure Account in respect of employees are equal to the contributions paid to the funded scheme for employees. The Scheme is a defined benefits scheme, although as a minor non-principal authority, Lothian and Borders CJA accounts for pension costs as if it were a defined contribution scheme. The accounting treatment is based on an inability to identify the Authority's share of the underlying assets and liabilities of the Fund and the fact that the Authority is subject to a non-specific employer contribution rate. Details of the scheme are as follows:

- Employees, subject to certain qualifying criteria, are eligible to join the Local Government Pension Scheme (LGPS). The LGPS is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998, as amended.
- The pension costs charged to the Income and Expenditure Account in respect of employees are equal to the contributions paid to the funded scheme. The Authority's contribution to the Scottish Borders Council Pension Fund was £20,152.57 for the period 1st April 2009 to 31st March 2010. There were no material prepaid or accrued pension contributions at 31st March 2010.
- The accounts have not been prepared in accordance with Financial Reporting Standard 17: Retirement benefits (FRS17). The amount by which pension costs under FRS 17 is different from the contributions due under the pension scheme regulations is not considered material.

### **Basis of Inclusion of Debtors and Creditors**

The revenue accounts are prepared on an income and expenditure basis, therefore amounts estimated to be due to or from the CJA in respect of that year but still outstanding at the year end are included in the accounts.

# INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2010

2008/09 £'000	Notes	Gross Expenditure £'000	Income £'000	Net Expenditure £'000
<b>Section 27</b>				
9,017	City of Edinburgh Council	6.2	9,380	9,380
936	East Lothian Council	6.2	1,026	1,026
926	Midlothian Council	6.2	876	876
1,379	Scottish Borders Council	6.2	1,434	1,434
1,946	West Lothian Council	6.2	1,957	1,957
<u>(14,204)</u>	Grant Scottish Government	6.1	<u>(14,673)</u>	<u>(14,673)</u>
0			14,673	0
<b>Administration</b>				
200	Administration Expenses		206	206
3	Members Allowances	2	3	3
5	Audit Fees	4	5	5
(1)	Interest and Investment Income		(3)	(3)
<u>(207)</u>	Grant Scottish Government	6.1	<u>(211)</u>	<u>(211)</u>
0			214	0
<hr/>				
<u>0</u>	Net Operating Expenditure			<u>0</u>

## STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE

for the year ended 31 March 2010

2008/09 £'000		Notes	£'000
<u>0</u>	(Surplus) / Deficit in the Income and Expenditure Account		<u>(0)</u>
0	General Fund (Surplus) / Deficit	7	(0)
<u>0</u>	General Fund Balance Brought Forward		<u>0</u>
<u>0</u>	General Fund Balance Carried Forward		<u>(0)</u>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 March 2010

2008/09 £'000		£'000
<u>0</u>	(Surplus) / Deficit on the Income and Expenditure Account for the Year	<u>(0)</u>
<u>0</u>	Total Recognised Losses / (Gains) for the Year	<u>(0)</u>


# BALANCE SHEET

as at 31 March 2010

2009 Restated £'000	Notes	£'000	£'000
<b>Tangible Fixed Assets</b>			
<b>Operational Assets</b>			
2	8		1
<b>Current Assets</b>			
41	11	87	
2		71	
<u>158</u>		<u>0</u>	
201			158
<b>Less: Current Liabilities</b>			
(39)	11		(75)
<u>(162)</u>			<u>(84)</u>
2			1
<b>Long-Term Liabilities</b>			
<u>(2)</u>	9	(1)	<u>(1)</u>
<u>0</u>			<u>0</u>
<b>TOTAL ASSETS LESS LIABILITIES</b>			
			<u>0</u>
<b>Represented by:</b>			
0			0
0			0
<u>0</u>			<u>0</u>
<b>TOTAL NET WORTH</b>			
			<u>0</u>

The unaudited financial statements were authorised for issue on 29 September 2010.

The audited financial statements were authorised for issue on 27 October 2010.

  
 Chris Hawkes  
 Chief Officer  
 27 October 2010

## CASH FLOW STATEMENT

For the year ended 31 March 2010

2008/09		Notes	£'000	£'000
£'000	<b>REVENUE ACTIVITIES</b>			
	<b>Cash Outflows</b>			
115	Cash Paid to and on Behalf of Employees		145	
<u>14,255</u>	Other Operating Cash Payments		<u>14,752</u>	14,897
14,370				
	<b>Cash Inflows</b>			
(14,697)	Other Government Grants	13	(14,772)	
<u>0</u>	Other Operating Cash Receipts		<u>0</u>	(14,772)
(14,697)				
(327)	<b>NET CASH (INFLOW) / OUTFLOW FROM REVENUE ACTIVITIES</b>			125
	<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
	<b>Cash Inflows</b>			
(1)	Interest Received			<u>(3)</u>
(328)	<b>NET CASH (INFLOW) / OUTFLOW BEFORE FINANCING</b>			122
<u>(328)</u>	<b>(INCREASE)/DECREASE IN CASH</b>	12		<u>122</u>

## NOTES TO THE CORE FINANCIAL STATEMENTS

### 1. Publicity Account (Section 5 of the Local Government Act 1986)

Under this legislation, the Partnership is required to maintain a separate publicity account. The Partnership's expenditure on publicity was £3,720.07 in 2009/10 (£22,101 in 2008/09).

### 2. Members' Allowances and Expenses

	2009/10 £'000	2008/09 £'000
Expenses paid to members	3	3
	<u>3</u>	<u>3</u>

### 3. Officers' Remuneration

The numbers of employees whose remuneration during the year exceeded £50,000 were as follows:

	2009/10	2008/09
£50,001 - £60,000		
£60,001 - £70,000	1	1
Total	<u>1</u>	<u>1</u>

### 4. Audit Fee

A charge for Audit Fees of £4,800 was made in 2009/10. This was the notified sum in respect of statutory audit services to be undertaken in accordance with the Code of Audit Practice by Audit Scotland. There was no fee payable in respect of any other service provided by Audit Scotland over and above the statutory duties undertaken in accordance with the Code. (An audit fee of £4,700 was paid in 2008/09).

### 5. Operating Leases

The CJA entered into a 3 year lease of an office at Scottish Borders Area Office, Rosetta Road, Peebles, which has been accounted for as an operating lease. The rental charge to the Income and Expenditure Account in 2009/10 was £5,500. The CJA is committed to a rental charge of £5,500 in 2010/11. The lease commenced on 1/4/07 and has been extended for a period of one year.

The CJA also has a 3 year operating lease for a vehicle for use by the Chief Officer. The charge to the Income and Expenditure Account in 2009/10 was £4,412.86. The lease commenced 6/09/07.

	Land and Buildings £'000	Vehicles, Plant and Equipment £'000
Leases expiring in 2010/11	6	4
Leases expiring between 2011/12 and 2014/15	0	0

## NOTES TO THE CORE FINANCIAL STATEMENTS

### 6. Related Parties

During the year, the CJA entered into a number of transactions with related parties. The most material of these transactions include:

6.1 Government Grants		2009/10 £'000	2008/09 £'000
<b>Revenue Grants</b>			
Scottish Government -	S27 Grant	14,673	14,204
	Administration Grant	211	209
<b>Total Government Grants</b>		<u>14,884</u>	<u>14,413</u>
<b>6.2 Constituent Authorities - Revenue Income and Expenditure</b>			
● <b>Revenue Expenditure - Allocation of S27 Grant</b>			
	City of Edinburgh Council	9,380	9,017
	East Lothian Council	1,026	936
	Midlothian Council	876	926
	Scottish Borders Council	1,434	1,379
	West Lothian Council	1,957	1,946
<b>Total Revenue Expenditure</b>		<u>14,673</u>	<u>14,204</u>
● <b>Revenue Expenditure - Support Services</b>			
	City of Edinburgh Council - Financial Services to CJA	19	7
	Scottish Borders Council - IT,HR, Property and Payroll Services to CJA	3	3
<b>Total Revenue Expenditure</b>		<u>22</u>	<u>10</u>

## NOTES TO THE CORE FINANCIAL STATEMENTS

### 7. Statement of Movement on the General Fund Balance

Analysis of additional items required by statute and non-statutory proper practice to be taken into account in determining the General Fund deficit for the year.

for the year ended 31 March 2010

Restated 2008/09 £000		£000	£000
	<b>Amounts included in the Income and Expenditure Account but required by statute to be excluded when determining the General Fund deficit for the year.</b>		
(1)	Depreciation of Fixed Assets	(1)	
<u>1</u>	Government Grants Deferred Amortisation	<u>1</u>	
0			0
	<b>Amount by which the (surplus)/ deficit on the General Fund for the year was (more)/ less than the Income and Expenditure Account result for the year.</b>		
<u>0</u>			<u>0</u>

## NOTES TO THE CORE FINANCIAL STATEMENTS

### 8. Fixed Assets

#### 8.1 Movement in Tangible Fixed Assets 2009/10

	Vehicles, Plant, Furniture and Equipment £000
<u>Gross Book Value</u>	
At 1 April 2009	4
Additions during year	0
Disposals during year	0
Impairments	0
Revaluations and Restatements	0
At 31 March 2010	<u>4</u>
<u>Depreciation</u>	
As at 1 April 2009	2
Charge for Year	1
on Revalued Assets	0
on Disposals	0
As at 31 March 2010	<u>3</u>
Net book value at 31 March 2010	<u>1</u>
Net book value at 31 March 2009	<u>2</u>

### 9. Government Grants Deferred

Where the acquisition of a fixed asset is financed either wholly or in part by a government grant or other contribution, the amount of the grant or contribution is credited to the government grants deferred account and written off to the service revenue account over the useful life of the asset to match the depreciation of the asset to which it relates.

	£000
Balance as at 1 April 2009	2
Government Grants and Other Contributions Received	0
Less: Grants amortised	<u>(1)</u>
Balance as at 31 March 2010	<u>1</u>

## NOTES TO THE CORE FINANCIAL STATEMENTS

### 10. Capital Commitments

At 31 March 2010 the CJA had no contractual commitments for capital works.

### 11. Debtors / Creditors

The following represent amounts due to / (from) the CJA, at 31 March 2010, with its related parties:

	2009/10	2008/09
	£'000	£'000
• <b>Creditors</b>		
City of Edinburgh Council Council S 27 grant	(84)	(41)
Midlothian Council S 27 grant	0	(22)
Scottish Borders Council S 27 grant	0	(66)
West Lothian Council S 27 grant	0	(33)
Scottish Government - revenue grant	(7)	(39)
City of Edinburgh Council - Financial Services /Accounts Preparation	(18)	0
Scottish Borders Council - Support Services and Salary Cost Recharge	(3)	0
	<u>(112)</u>	<u>(201)</u>
• <b>Debtors</b>		
Revenue Grant - Scottish Government	<u>84</u>	<u>41</u>
	<u>84</u>	<u>41</u>

The following represent amounts due to / (from) the Partnership, at 31 March 2010, with other parties:

Creditors - Audit Scotland and supplier invoices	<u>(7)</u>	<u>0</u>
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## NOTES TO THE CORE FINANCIAL STATEMENTS

### 12. Reconciliation of the Cash Flow Statement with the Income and Expenditure Account

	2009/10		2008/09	
	£'000	£'000	£'000	£'000
(Surplus) / Deficit per Income and Expenditure Account		(0)		0
Non-Cash Transactions:		0		0
Year-End Variations				
Increase / (Decrease) in Revenue Debtors	79		(247)	
Decrease / (Increase) in Revenue Creditors	43		(81)	
		<u>122</u>		<u>(328)</u>
Net Cash (Inflow) / Outflow from Revenue Activities		<u>122</u>		<u>(328)</u>

### 13. Analysis of Government Grants shown in Cash Flow Statement

	2009/10	2008/09
	£'000	£'000
Revenue		
Other Government Grants:		
Revenue S27	(14,562)	(14,488)
CJA Administration	<u>(210)</u>	<u>(209)</u>
	<u>(14,772)</u>	<u>(14,697)</u>

### 14. Events After the Balance Sheet Date

There were no material events that occurred between 1 April 2010 and the date the accounts were authorised for issue.

The unaudited financial statements were authorised for issue by Chris Hawkes, Chief Officer on 29 September 2010.

The audited financial statements were authorised for issue on 27 October 2010.

# STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

## The CJA's Responsibilities

The CJA 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. That officer is the Chief Officer.
- to manage its affairs to secure economic, efficient and effective use of its resources and safeguard its assets.

## The Chief Officer's Responsibilities

The Chief Officer is responsible for the preparation of the CJA's Statement of Accounts which, in terms of the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice'), is required to represent a true and fair view of the financial position of the CJA at the accounting date and its income and expenditure for the year ended 31 March 2010.

In preparing this statement of accounts, the Chief Officer has ensured that:

- suitable accounting policies have been selected and then applied consistently;
- judgements and estimates made were reasonable and prudent;
- the Code of Practice has been complied with, except where stated in the Policies and Notes to the Core Financial Statements.

The Chief Officer has also taken reasonable steps to ensure:

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

## Statement of Accounts


The Statement of Accounts presents a true and fair view of the financial position of the CJA as at 31 March 2010 and its income and expenditure for the year ended 31 March 2010.



Chris Hawkes  
Chief Officer  
27 October 2010

## **STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL FOR THE YEAR ENDED 31 MARCH 2010**

1. This statement is given in respect of the statement of accounts for the Lothian and Borders Community Justice Authority for the year ended 31 March 2010. I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.
2. 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.
3. 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. This framework places reliance upon the controls in place in each of the constituent Councils, in addition to those operating within the Authority.
  - comprehensive budgeting systems within each Council;
  - regular reviews of periodic financial reports that measure financial performance against forecasts;
  - targets against which financial and operational performance can be assessed, measured by subject area groups;
  - preparation of regular financial reports that compare expenditure with plans and forecasts; and
  - and clearly-defined capital expenditure guidelines.
4. The Internal Audit function is provided by each constituent Council. This includes a Certified Section 27 Claim from each constituent council's Finance Director.
5. My review of the effectiveness of the system of internal financial control is informed by:
  - regular reports by working groups and Councils;
  - the work of managers and accountants within the constituent Councils;
  - the work of the internal auditors as described above; and
  - the work of external auditors in their Report to Members and other reports to the Authority
  - each constituent Council's externally audited Criminal Justice Social Work Services Grant Claim.
6. Having reviewed the above, it is my opinion that reasonable assurance can be placed upon the adequacy and effectiveness of the Authority's internal control system. The control environment will be further enhanced by the continuation of current work to embed Risk Management within the Authority.



Chris Hawkes  
Chief Officer  
27 October 2010

**CRIMINAL JUSTICE SOCIAL WORK SERVICES**  
**Lothian & Borders CJA - Annual Financial Statement 2009/10**

Service	2009/10 Allocation	Staff costs	Other costs	Actual Overheads (restricted to 8%)	Total
<b>Core</b>					
Probation	1,431,631	1,545,373	193,971	72,172	1,811,516
Community Service	2,506,983	2,201,493	425,146	96,560	2,723,199
Social Enquiry Reports	1,604,490	1,424,792	185,703	60,094	1,670,589
Throughcare	729,597	946,857	124,164	42,924	1,113,946
Home Detention Curfew	48,023	38,137	4,661	1,125	43,923
Home Circumstances Reports	14,335	25,091	3,564	-	28,655
SAO	316,961	117,393	21,063	5,552	144,008
Mandatory Supervised Attendance Orders	-	100,461	20,444	-	120,905
Diversion	723,815	207,332	19,298	17,055	243,685
Ball	408,455	99,042	149,486	5,626	254,154
Court Services	417,666	334,706	32,459	13,630	380,795
CSO Training & Newsletter	28,000	-	27,383	-	27,383
Approved Virement from Non-Core	135,000	6,000	48,859	4,029	58,888
<b>Total (Core) Services</b>	<b>8,364,955</b>	<b>7,040,677</b>	<b>1,256,201</b>	<b>318,768</b>	<b>8,621,646</b>
<b>Invoicing</b>					
Intensive Support Package - JR (SBC)	61,042	-	61,865	4,949	66,814
Intensive Support Package - AS (CEC)	-	-	-	-	-
Intensive Support Package - JL (CEC)	-	-	-	-	-
Intensive Support Package - JM (SBC)	9,800	-	12,275	982	13,257
Intensive Support Package - KG (CEC)	-	-	-	-	-
Intensive Support Package - KF (CEC)	-	-	-	-	-
Intensive Support Package - TJ (CEC)	-	-	-	-	-
Intensive Support Package - WD (ML)	22,662	-	32,501	-	32,501
<b>Total</b>	<b>93,504</b>	<b>-</b>	<b>106,641</b>	<b>5,931</b>	<b>112,572</b>
<b>Non Core</b>					
<b>Centrally Initiated Funding</b>					
Arrest Referral	389,542	8,568	364,244	-	372,812
Delivery of the National Training Programme	60,000	56,911	4,989	-	61,900
DTTO Pilot Scheme for Lower Tariff Offenders	619,713	266,026	352,244	-	618,270
Fiscal Work Order Pilots	50,000	-	5,031	415	5,446
Mandatory Drug Testing of Arrestees (to Sept 2009)	230,679	1,209	51,400	-	52,609
MAPPA	262,822	79,717	128,140	3,177	211,034
Throughcare Addiction Services	211,450	199,022	47,064	2,182	248,268
<b>Funding for Non-Centrally Initiated Areas of Work</b>					
DTTO	1,620,924	884,169	875,739	39,051	1,798,959
Employment Training	109,964	12,638	99,950	1,792	114,380
Intensive Probation Project	254,234	87,706	111,004	8,471	207,181
Mediation and Reparation	115,365	1,359	103,154	-	104,513
New Service Development Funding	232,500	-	232,500	-	232,500
Pathway Link Centre	253,000	3,599	153,000	-	156,599
Programme Delivery	910,180	608,309	89,760	11,130	709,198
Substance Related Offending	143,961	11,551	126,411	2,423	140,385
Supported Accommodation	782,789	465,063	231,147	2,381	698,591
Edinburgh Probation Project	102,320	93,489	10,304	-	103,793
Caledonian Self Evaluation	-	-	-	-	-
Baker Tilly review Funded from projected underspend (CJA)	-	-	18,728	-	18,728
Contribution to cost of Finance SLA - Interest generated	2,945	-	2,945	-	2,945
Approved Virement to Core	135,000	-	-	-	-
<b>Total (Non-Core) Services</b>	<b>6,217,388</b>	<b>2,779,335</b>	<b>3,007,753</b>	<b>71,022</b>	<b>5,858,110</b>
<b>Overheads (restricted within 8% of allocation)</b>				<b>120,661</b>	<b>120,661</b>
<b>Overall Total</b>	<b>14,675,847</b>	<b>9,826,012</b>	<b>4,370,595</b>	<b>516,382</b>	<b>14,742,989</b>

**CERTIFICATION**

I certify that the amounts shown have been spent on the above services in the financial year.

Further information may be obtained from .....

Signed ..... Chief Officer

**Important Note**

Completed Forms should be returned to Carol McKegney, Scottish Executive Justice Department, Community Justice Services, St. Andrews House, Regent Road, Edinburgh EH1 3XD (carol.mckegney@scotland.gsi.gov.uk) as soon after the end of the financial year as possible.

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**CRIMINAL JUSTICE SOCIAL WORK SERVICES**  
**City of Edinburgh Council - Annual Financial Statement 2009/10**

Service	2009/10 Allocation	Staff costs	Other costs	Total
<b>Core</b>				
Probation	816,070	811,299	115,226	926,525
Community Service	1,429,051	1,233,396	279,540	1,512,936
Social Enquiry Reports	914,605	817,186	116,062	933,248
Home Detention Curfew	27,374	25,861	3,673	29,534
Throughcare	420,559	483,097	102,544	585,641
Home Circumstance Reports	14,335	25,091	3,564	28,655
SAO	202,855	61,010	12,416	73,426
Mandatory SAO	-	100,461	20,444	120,905
Diversion	412,595	22,286	2,817	19,469
Bail	232,831	42,948	132,270	175,218
Court Services	238,081	193,159	2,619	195,778
CSO Training & Newsletter	28,000	-	27,383	27,383
<b>Total Core Services</b>	<b>4,736,356</b>	<b>3,815,793</b>	<b>812,924</b>	<b>4,628,718</b>
<b>Non Core</b>				
Supported accommodation	625,484	447,475	193,187	640,662
ISP Placements				-
<b>Partnership Support Programmes</b>				
Sex Offenders Project	225,402	284,653	98,670	185,983
Alcohol Education Project (Probation)	71,643	1,500	63,758	65,258
MAPPA Coordinators	201,372	45,000	126,075	171,075
CJSW National Training Programme Delivery	60,000	56,911	4,989	61,900
<b>CEC/Midlothian</b>				
Time to change	102,320	93,489	10,304	103,793
DTTO - Edinburgh (including provision of East Lothian serv	880,475	578,236	535,775	1,114,011
DTTO II (Edin, Mid and East)	619,713	266,026	352,244	618,270
Drug Rehab (Turning Point Chrysalis)	105,895	2,292	97,424	99,716
Arrest Referral	289,542	6,216	264,246	270,462
Arrest Referral Drug Treatment	100,000	2,352	99,998	102,350
Intensive Programme 16-21 year olds (NCH)	157,912	2,501	106,340	108,841
Employment Training (Apex)	88,868	2,088	88,765	90,853
Mediation & Reparation (SACRO)	92,292	1,359	80,460	81,819
Domestic Violence Project (Probation)	183,484	200,082	14,816	185,266
Throughcare Addiction Services	167,987	174,528	36,029	210,557
Pathway Link Centre	253,000	3,599	153,000	156,599
Mandatory Drug Testing Arrestees	230,679	1,209	51,400	52,609
Accreditation of Intervention Work with Domestic Violence	89,810	35,804	23,302	59,106
Approved Virement	- 135,000	-	-	-
Baker Tilly review Funded from projected underspend (CJA)	-	-	18,728	18,728
Contribution to cost of Finance SLA from Interest generated	2,945	-	2,945	2,945
New Developments (CJS)	232,500	-	232,500	232,500
<b>Total Non Core Services</b>	<b>4,646,323</b>	<b>2,205,320</b>	<b>2,427,983</b>	<b>4,633,303</b>
<b>Overheads (restricted within 8% of allocation)</b>				<b>120,661</b>
<b>Overall Total</b>	<b>9,382,679</b>	<b>6,021,113</b>	<b>3,240,907</b>	<b>9,382,682</b>

N.B. £120,661 Overheads/Central Recharges are included in the above figures. This equates to 1.37% on direct spend.

**CERTIFICATION**

I certify that the amounts shown have been spent on the above services in the financial year.

Further information may be obtained from Graeme Stenhouse, Finance Manager, Health & Social Care Section

Signed  Chief Officer

**Important Note:**

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**CRIMINAL JUSTICE SOCIAL WORK SERVICES**  
**East Lothian Council - Annual Financial Statement 2009/10**

Service	2009/10 Allocation	Staff costs	Other costs	Actual Overheads (restricted to 8%)	Total
<b>Core</b>					
Probation	118,599	102,456	7,811	11,362	121,629
Community Service	207,684	164,721	35,949	18,267	218,937
Social Enquiry Reports	132,919	117,320	8,944	13,011	139,275
Throughcare	54,427	100,025	7,626	11,093	118,744
Home Detention Curfew	3,978	2,007	153	223	2,383
SAO	12,678	11,467	874	1,272	13,613
Diversion	59,962	19,912	1,518	2,208	23,638
Bail	33,837	12,384	944	1,373	14,701
Court Services	34,600	32,738	2,496	3,631	38,865
Approved Virement from Non-Core	85,000	6,000	48,859	4,029	58,888
<b>Total Core Services</b>	<b>749,686</b>	<b>569,030</b>	<b>115,974</b>	<b>(68,468)</b>	<b>750,672</b>
<b>Invoicing</b>					
Intensive Support Package - JR (SBC)	-	-	-	-	-
Intensive Support Package - AS (CEC)	-	-	-	-	-
Intensive Support Package - JL (CEC)	-	-	-	-	-
Intensive Support Package - JM (SBC)	-	-	-	-	-
Intensive Support Package - KG (CEC)	-	-	-	-	-
Intensive Support Package - KF (CEC)	-	-	-	-	-
Intensive Support Package - TJ (CEC)	-	-	-	-	-
Intensive Support Package - WD (ML)	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non Core</b>					
<b>Centrally Initiated Funding</b>					
Arrest Referral	-	-	-	-	-
Delivery of the National Training Programme	-	-	-	-	-
DTTO Pilot Scheme for Lower Tariff Offenders	-	-	-	-	-
Fiscal Work Order Pilots	-	-	-	-	-
Mandatory Drug Testing of Arrestees (to Sept 2009)	-	-	-	-	-
MAPPA	12,832	8,600	656	954	10,210
Throughcare Addiction Services	11,651	-	-	-	-
<b>Funding for Non-Centrally Initiated Areas of Work</b>					
DTTO	153,500	-	166,118	-	166,118
Employment Training	3,845	-	-	-	-
Intensive Probation Project	28,145	28,667	2,186	3,179	34,032
Mediation and Reparation	-	-	-	-	-
New Service Development Funding	-	-	-	-	-
Pathway Link Centre	-	-	-	-	-
Programme Delivery	33,947	4,185	34,266	464	38,915
Substance Related Offending	-	-	-	-	-
Supported Accommodation	38,745	-	26,675	-	26,675
Edinburgh Probation Project	-	-	-	-	-
Caledonian Self Evaluation	-	-	-	-	-
Approved Virement to Core	-	-	-	-	-
<b>Total Non-Core Services</b>	<b>282,665</b>	<b>41,452</b>	<b>229,901</b>	<b>4,597</b>	<b>275,950</b>
<b>Overall Total</b>	<b>1,026,352</b>	<b>610,482</b>	<b>345,075</b>	<b>71,065</b>	<b>1,026,622</b>

**CERTIFICATION**

I certify that the amounts shown have been spent on the above services in the financial year.

Further information may be obtained from .....

Signed .....  ..... Chief Officer

**Important Note:**

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**CRIMINAL JUSTICE SOCIAL WORK SERVICES**  
**Midlothian Council - Annual Financial Statement 2009/10**

Service	2009/10 Allocation	Staff costs	Other costs	Actual Overheads (restricted to 8%)	Total
<b>Core</b>					
Probation	114,917	194,022	18,800	20,821	233,643
Community Service	201,235	219,317	21,024	23,535	263,876
Social Enquiry Reports	128,792	118,749	10,441	12,743	141,933
Throughcare	54,194	47,466	4,173	5,094	56,733
Home Detention Curfew	3,855	-	-	-	-
SAO	25,357	569	50	61	680
Diversion	58,100	-	3,268	-	3,268
Bail	32,787	-	8,407	-	8,407
Court Services	33,526	-	13,493	-	13,493
Approved Virement from Non-Core	25,000	-	-	-	-
<b>Total Core Services</b>	<b>671,762</b>	<b>580,124</b>	<b>79,656</b>	<b>62,254</b>	<b>722,034</b>
<b>Invoicing</b>					
Intensive Support Package - JR (SBC)	-	-	-	-	-
Intensive Support Package - AS (CEC)	-	-	-	-	-
Intensive Support Package - JL (CEC)	-	-	-	-	-
Intensive Support Package - JM (SBC)	-	-	-	-	-
Intensive Support Package - KG (CEC)	-	-	-	-	-
Intensive Support Package - KF (CEC)	-	-	-	-	-
Intensive Support Package - TJ (CEC)	-	-	-	-	-
Intensive Support Package - WD (ML)	22,662	-	32,501	-	32,501
<b>Total</b>	<b>22,662</b>	<b>-</b>	<b>32,501</b>	<b>-</b>	<b>32,501</b>
<b>Non Core</b>					
<b>Centrally Initiated Funding</b>					
Arrest Referral	-	-	-	-	-
Delivery of the National Training Programme	-	-	-	-	-
DTTO Pilot Scheme for Lower Tariff Offenders	-	-	-	-	-
Fiscal Work Order Pilots	-	-	-	-	-
Mandatory Drug Testing of Arrestees (to Sept 2009)	-	-	-	-	-
MAPPA	12,220	-	-	-	-
Throughcare Addiction Services	8,781	-	8,781	-	8,781
<b>Funding for Non-Centrally Initiated Areas of Work</b>					
DTTO	-	-	-	-	-
Employment Training	8,000	-	-	-	-
Intensive Probation Project	37,552	28,182	2,478	3,024	33,684
Mediation and Reparation	23,073	-	22,694	-	22,694
New Service Development Funding	-	-	-	-	-
Pathway Link Centre	-	-	-	-	-
Programme Delivery	49,527	21,009	39,545	2,254	62,808
Substance Related Offending	7,964	-	7,964	-	7,964
Supported Accommodation	28,061	-	-	-	-
Edinburgh Probation Project	-	-	-	-	-
Caledonian Self Evaluation	-	-	-	-	-
Approved Virement to Core	-	-	-	-	-
<b>Total Non Core Services</b>	<b>175,178</b>	<b>49,190</b>	<b>81,462</b>	<b>5,279</b>	<b>135,931</b>
<b>Overall Total</b>	<b>846,940</b>	<b>629,315</b>	<b>161,118</b>	<b>67,533</b>	<b>974,966</b>

**CERTIFICATION**

I certify that the amounts shown have been spent on the above services in the financial year.

Further information may be obtained from ..... CALLUM ALSMYER (271-3127)

Signed  ..... Chief Officer

**Important Note:**

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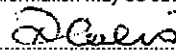
**CRIMINAL JUSTICE SOCIAL WORK SERVICES**  
**Scottish Borders Council - Annual Financial Statement 2009/10**

Service	2009/10 Allocation	Staff costs	Other costs	Actual Overheads (restricted to 8%)	Total
<b>Core</b>					
Probation	156,110	150,158	8,840	12,720	171,718
Community Service	273,370	242,370	45,775	23,052	311,197
Social Enquiry Reports	174,959	168,289	9,908	14,256	192,453
Throughcare	59,449	57,182	3,366	4,844	65,392
Home Detention Curfew	5,237	5,037	297	427	5,761
SAO	28,526	25,291	4,777	2,405	32,473
Diversion	78,927	75,918	4,469	6,431	86,818
Bail	44,539	-	-	-	-
Court Services	45,544	43,808	2,579	3,711	50,098
Approved Virement from Non-Core	25,000	-	-	-	-
<b>Total Core Services</b>	<b>891,663</b>	<b>768,059</b>	<b>80,011</b>	<b>67,046</b>	<b>915,910</b>
<b>Invoicing</b>					
Intensive Support Package - JR (SBC)	61,042	-	61,865	4,949	66,814
Intensive Support Package - AS (CEC)	-	-	-	-	-
Intensive Support Package - JL (CEC)	-	-	-	-	-
Intensive Support Package - JM (SBC)	9,800	-	12,275	982	13,257
Intensive Support Package - KG (CEC)	-	-	-	-	-
Intensive Support Package - KF (CEC)	-	-	-	-	-
Intensive Support Package - TJ (CEC)	-	-	-	-	-
Intensive Support Package - WD (ML)	-	-	-	-	-
<b>Total</b>	<b>70,842</b>	<b>-</b>	<b>74,140</b>	<b>5,931</b>	<b>80,071</b>
<b>Non Core</b>					
<b>Centrally Initiated Funding</b>					
Arrest Referral	-	-	-	-	-
Delivery of the National Training Programme	-	-	-	-	-
DTTO Pilot Scheme for Lower Tariff Offenders	-	-	-	-	-
Fiscal Work Order Pilots	-	-	-	-	-
Mandatory Drug Testing of Arrestees (to Sept 2009)	-	-	-	-	-
MAPPA	20,565	19,042	-	1,523	20,565
Throughcare Addiction Services	9,916	9,181	-	734	9,915
<b>Funding for Non-Centrally Initiated Areas of Work</b>					
DTTO	305,399	77,894	128,844	16,539	223,276
Employment Training	-	-	-	-	-
Intensive Probation Project	30,625	28,356	-	2,268	30,624
Mediation and Reparation	-	-	-	-	-
New Service Development Funding	-	-	-	-	-
Pathway Link Centre	-	-	-	-	-
Programme Delivery	52,547	10,417	37,895	3,865	52,177
Substance Related Offending	30,102	9,259	21,023	2,423	32,705
Supported Accommodation	22,073	-	-	-	-
Edinburgh Probation Project	-	-	-	-	-
Caledonian Self Evaluation	-	-	-	-	-
Approved Virement to Core	-	-	-	-	-
<b>Total Non Core Services</b>	<b>471,227</b>	<b>154,149</b>	<b>187,761</b>	<b>27,352</b>	<b>369,262</b>
<b>Overall Total</b>	<b>1,433,732</b>	<b>922,202</b>	<b>341,912</b>	<b>101,129</b>	<b>1,365,243</b>

**CERTIFICATION**

I certify that the amounts shown have been spent on the above services in the financial year.

Further information may be obtained from : Lynn Young, Financial Analyst, Financial Services - Social Work (tel: 01835 824000 extn:5874)

Signed  ..... Financial Services Manager  
 Debbie Collins

**Important Note:**

Completed Forms should be returned to Carol McKegney, Scottish Executive Justice Department, Community Justice Services, St. Andrews House, Regent Road, Edinburgh EH11 3XD (carol.mckegney@scotland.gsi.gov.uk) as soon after the end of the financial year as possible.

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**CRIMINAL JUSTICE SOCIAL WORK SERVICES**  
**West Lothian Council - Annual Financial Statement 2009/10**

Service	2009/10 Allocation	Staff costs	Other costs	Actual Overheads (restricted to 8%)	Total
<b>Core</b>					
Probation	225,935	287,438	43,294	27,269	358,001
Community Service	395,643	341,688	42,858	31,706	416,252
Social Enquiry Reports	253,215	203,248	40,348	20,085	263,681
Throughcare	140,967	259,087	6,455	21,894	287,436
Home Detention Curfew	7,579	5,232	538	476	6,246
SAO	47,544	19,056	2,946	1,814	23,816
Diversion	114,230	89,216	12,860	8,416	110,492
Bail	64,461	43,710	7,865	4,252	55,827
Court Services	65,915	65,001	11,272	6,289	82,562
Approved Virement from Non-Core	-	-	-	-	-
<b>Total Core Services</b>	<b>1,315,438</b>	<b>1,313,676</b>	<b>168,436</b>	<b>122,200</b>	<b>1,604,312</b>
<b>Invoicing</b>					
Intensive Support Package - JR (SBC)	-	-	-	-	-
Intensive Support Package - AS (CEC)	-	-	-	-	-
Intensive Support Package - JL (CEC)	-	-	-	-	-
Intensive Support Package - JM (SBC)	-	-	-	-	-
Intensive Support Package - KG (CEC)	-	-	-	-	-
Intensive Support Package - KF (CEC)	-	-	-	-	-
Intensive Support Package - TJ (CEC)	-	-	-	-	-
Intensive Support Package - WD (ML)	-	-	-	-	-
<b>Total</b>	<b>c</b>	<b>d</b>	<b>e</b>	<b>f</b>	<b>g</b>
<b>Non Core</b>					
<b>Centrally Initiated Funding</b>					
Arrest Referral	-	-	-	-	-
Delivery of the National Training Programme	-	-	-	-	-
DTTO Pilot Scheme for Lower Tariff Offenders	-	-	-	-	-
Fiscal Work Order Pilots	50,000	-	5,031	415	5,446
Mandatory Drug Testing of Arrestees (to Sept 2009)	-	-	-	-	-
MAPPA	15,833	7,075	1,409	700	9,184
Throughcare Addiction Services	13,115	15,313	2,254	1,448	19,015
<b>Funding for Non-Centrally Initiated Areas of Work</b>					
DTTO	281,550	228,039	45,002	22,512	295,553
Employment Training	9,250	10,550	11,185	1,792	23,527
Intensive Probation Project	-	-	-	-	-
Mediation and Reparation	-	-	-	-	-
New Service Development Funding	-	-	-	-	-
Pathway Link Centre	-	-	-	-	-
Programme Delivery	203,821	50,659	4,480	4,546	59,685
Substance Related Offending	-	-	-	-	-
Supported Accommodation	68,426	17,588	11,285	2,381	31,254
Edinburgh Probation Project	-	-	-	-	-
Caledonian Self Evaluation	-	-	-	-	-
Approved Virement to Core	-	-	-	-	-
<b>Total Non-Core Services</b>	<b>641,995</b>	<b>329,224</b>	<b>80,645</b>	<b>33,794</b>	<b>449,664</b>
<b>Overall Total</b>	<b>1,957,433</b>	<b>1,642,900</b>	<b>249,082</b>	<b>155,994</b>	<b>2,047,976</b>

**CERTIFICATION**

I certify that the amounts shown have been spent on the above services in the financial year.

Further information may be obtained from .....

Signed  Chief Officer

**Important Note:**

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# **INDEPENDENT AUDITOR'S REPORT**

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

I have audited the financial statements of Lothian and Borders 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, Statement of Movement on the 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

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 Accountable Officer's Responsibilities.

My 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 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 Chief Officer's Report. I consider the implications for my report if 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.

## INDEPENDENT AUDITOR'S REPORT (cont.)

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.

### Opinion


#### *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.

#### *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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07 October 2010