

PERFORMANCE AND AUDIT COMMITTEE MEETING

HELD IN THE SEStran OFFICES, McDONALD ROAD, EDINBURGH

ON FRIDAY, 26TH MARCH, 2010

10.00 A.M. - 10.45 A.M.

PRESENT:	<u>Name</u>	<u>Organisational Title</u>
	Sandy Scotland (Chair)	Non-Councillor Member
	Charles Anderson	Non-Councillor Member
	Councillor Neil Calvert	Scottish Borders Council
	Councillor Phil Wheeler	City of Edinburgh Council

IN ATTENDANCE:	<u>Name</u>	<u>Organisational Title</u>
	Alex Macaulay	SEStran Partnership Director
	Andrew Ferguson	Fife Council (Secretary & Legal Advisor)
	Elizabeth Mair	Fife Council (Committee Administrator)
	Ian Shaw	City of Edinburgh Council (Treasurer)
	Helen Russell	Audit Scotland

APOLOGIES FOR ABSENCE:	<u>Name</u>	<u>Organisational Title</u>
	Councillor Greg McCarra	West Lothian Council

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A1 MINUTE

The Committee considered the Minute of meeting of the Performance and Audit Committee of 27th November, 2009.

Decision

The Committee approved the Minute subject to the substitution of the word 'an' with 'the' in the first line of Item A3. **Administrator**

A2 MATTERS ARISING

With reference to paragraph A5, Proposal to Create a Limited Company, Alex Macaulay advised that the company had been set up but was currently dormant. Further audit advice had been received indicating that the totality of SEStran accounts would be audited together and therefore/

Action by

therefore the Limited Company could not be used to balance the year end accounts. It was possible however, that the company might be used for other purposes in the future. The situation regarding the need for Directors was being investigated.

Decision

The Committee agreed that a brief report be submitted to the next meeting of the Partnership Board updating Members on the situation.

**Partnership
Director**

A3 2009/10 AUDIT PLAN

The Committee considered the Annual Audit Plan for 2009/10 presented by Audit Scotland. Helen Russell highlighted points in the plan and confirmed that the impact on the Regional Transport Strategy would be monitored by demonstrating Best Value through Single Outcome Agreements. She also confirmed that monitoring of the Capital Plan would take place in line with Appendix B in the Audit Plan which conformed to statutory standards.

Decision

The Committee noted the 2009/10 Audit Plan.

A4 INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Committee considered a report by the Treasurer advising of changes being introduced by the Government which would impact on the preparation of annual financial statements for the Partnership. The changes would require revisions to accounting policies, changes in the format of financial statements and a number of additional disclosures in the Annual Accounts. The report outlined the process by which these changes were to be implemented and the implications for the Partnership.

Decision

The Committee noted:

- (i) the implications of adopting International Financial Reporting Standards (IFRS); and
- (ii) the process being followed to ensure the Partnership's financial statements were prepared on an IFRS compliant basis for 2010/11.

ANY/

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ANY OTHER COMPETENT BUSINESS

Service Level Agreements

Alex Macaulay advised that a Service Level Agreement had been agreed with Fife Council for provision of legal and administrative services to the Partnership and that similar agreements would be finalised in the near future with the City of Edinburgh Council for financial services and Falkirk Council for human resource services.

Treasurer

Councillor Wheeler advised that the Treasurer to the Partnership, Donald McGougan, would be retiring in 2011 and recruitment for his successor would take place in due course.

DATE OF NEXT MEETING

It was noted that the next meeting of the Committee would be held on Friday, 28th May, 2010 at 10.00 a.m.
