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**REPORT TO:** British Transport Police Authority  
**DATE:** 8 July 2008  
**SUBJECT:** Financial Position Summary Report  
**AUTHOR:** Director of Finance & Corporate Services

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**1. PURPOSE OF PAPER**

1.1 To update Members on any financial matters since the last meeting.

**2. BACKGROUND**

2.1 In order for Members of the Authority to be able to carry out their scrutiny role effectively it is important that they are kept informed of the latest developments. As finance matters are usually discussed in detail at the Strategy, Budget & Performance Monitoring Committee (SB&PM) it was decided that a position paper should be on the agenda of each full Authority meeting. This is the first of such papers.

**3. FINANCIAL YEAR 2007-08**

3.1 At the Audit & Corporate Governance (A&CG) Committee meeting on 2 July 2008, the statutory accounts covering the financial year 2007-08 were submitted for approval. The audit of the accounts is complete and the National Audit Office (NAO) has issued a 'clean opinion' i.e. the accounts are unqualified.

3.2 The Accounting Officer (Chief Constable) will now sign the Accounts and the Letter of Representation. The signed documents are then given to the NAO to sign and lay before Parliament. When the final printed version is available a copy will be circulated to all Members.

3.3 The accuracy and timelines of the accounts has improved significantly this year to enable the 2007-08 accounts to be laid in the House of Commons before the summer recess, so meeting HM Treasury's target for the production of central government accounts.



3.4 At the A&CG meeting the NAO submitted their Audit Matters (ISA260) report which draws Member's attention to matters that have come to light through their audit. Nigel Gale assured Members that there were no significant matters, merely areas to work on. The Director of Finance and Corporate Services put in a management response to all the matters and will develop an action plan to ensure that they are dealt with.

#### **4. FINANCIAL YEAR 2008-09**

4.1 At the time of writing the report, the period 3 monitoring information is still under review. The revenue finance reviews have been completed and the capital review is scheduled. Early indications are that the budget is on track to deliver at the set level.

4.2 The reporting format for 2008-09 is currently being enhanced and improved financial monitoring papers will be provided to the SB&PM Committee from the next meeting. These papers will also be circulated to all Members for information.

#### **5. FINANCIAL YEAR 2009-10**

5.1 Work is underway on the development of an improved Medium Term Financial Planning (MTFP) process. Whilst during the budget setting process for 2008-09 members were provided with a '3 year view' of the budget, BTPs ability to look ahead and exemplify issues in financial terms was rather sketchy. This will take time to develop, but by beginning earlier in the current year BTP can start to encourage a more forward looking approach. It is expected that an early draft of the MTFP (for both revenue and capital) will be brought to the SB&PM meeting in September. The MTFP will become the centre piece of the budget process as service requirements and the overall funding envelope are considered.

#### **6. RECOMMENDATIONS**

6.1 That the Authority notes the report.