BRITISH TRANSPORT POLICE

Agenda Item 5

REPORT TO:	**British Transport Police Authority**
DATE:	**8 July 2010**
SUBJECT:	**Formal Statement of Accounts 2009-10**
SPONSOR:	**Director of Finance & Corporate Services**
AUTHOR:	**Head of Finance**

1. PURPOSE OF PAPER

1.1 This report presents the statutory Statement of Accounts covering the 2009-10 financial year to the British Transport Police Authority (BTPA) following the conclusion of the external audit by the National Audit Office (NAO).

2. BACKGROUND

2.1 The formal Statement of Accounts for 2009-10 is attached at Annex A. It has been produced in accordance with the accounts direction issued by HM Treasury contained in the Government Financial Reporting Manual (FReM) and also in accordance with section 51 of the Railways and Transport Safety Act 2003.

2.2 HM Treasury has set a target for central government accounts to receive an unqualified audit opinion and to be laid in Parliament before the commencement of the summer recess. In order to meet that deadline the accounts have been scrutinised by the Audit Committee on 29 June. A number of points to aid the presentation of the Accounts were raised at the Committee and these have been dealt with in the Accounts presented at today's BTPA meeting.

2.3 One key issue raised at the Audit Committee remains outstanding, namely the treatment of capital grants from the Department for Transport (DfT). This is a wider issue which affects the presentation of the DfT's accounts and is being discussed at the DfT Audit Committee on 2 July. The Chief Executive and Treasurer of the BTPA are in discussions with the DfT on this

issue. If British Transport Police have a resolution by early next week, it would propose to circulate the summary amendments to be made to the Accounts (if any are required). The overriding aim is to ensure that its accounts remain unqualified. A verbal update will be given to the BTPA on this issue if the outcome is not able to be circulated in advance.

2.4 The audit of the 2009-10 accounts is largely complete and the Statement of Accounts is presented to the BTPA for approval before formal sign off. The International Standard on Auditing (ISA) 260 requires the NAO to communicate certain aspects of the results of the audit to those charged with responsibility for governance. In accordance with the ISA 260, the BTPA has received a formal opinion from the NAO. Their report, entitled 'Audit Matters Arising', is attached with this paper and presents the opinion and main findings.

3. THE NEXT STEPS

3.1 Assuming approval of the Accounts at today's Authority meeting the next steps will be for the Chief Executive as Accounting Officer and Chief Constable as Additional Accounting Officer to sign the accounts and for them to be countersigned by the Chair. The signed accounts will then be sent to the NAO for the Comptroller and Auditor General to sign off before sending to TSO (publishers) who will publish and file the accounts with Parliament before the summer recess.

4. FINANCIAL IMPLICATIONS

4.1 There are no immediate financial implications associated with the recommendations in this report.

5. RECOMMENDATIONS

5.1 It is recommended that the Authority approve the Statement of Accounts for 2009-10 subject to the outcome of the DfT Audit Committee.