

Report

Report to:	Clyde Valley Learning and Development Joint Committee
Date of Meeting:	28 August 2017
Report by:	Treasurer to Clyde Valley Learning and Development Joint Committee

Subject:	Certified Annual Accounts 2016/2017 and External Auditor's Report to the Joint Committee
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise members of the outcome of the audit by the Joint Committee's external auditor, Audit Scotland; and
- ◆ advise members of the requirement to approve the Annual Accounts for 2016/2017 for signature

2. Recommendation(s)

2.1. The Joint Committee is asked to approve the following recommendation(s):-

- (1) that it be noted that the Annual Accounts for 2016/2017 received a clean audit certificate (section 4.2);
- (2) that the audited Annual Accounts for 2016/2017, be approved for signature (Appendix 1); and
- (4) that it be noted that the Annual Accounts will be advertised as being available to the general public (section 4.3).

3. Background

3.1. The auditor, Audit Scotland, is required to supply an audit certificate outlining the findings of the audit process undertaken in relation to the Annual Accounts 2016/2017.

3.2. Following the publication of The Local Authority Accounts (Scotland) Regulations 2014, the members of the Joint Committee are required to meet to consider whether to approve the audited Annual Accounts for signature, no later than 30 September 2017. The members are also required to have regard to any report made or advice provided on the Annual Accounts by the auditor.

4. Audited Accounts

4.1. As noted in 3.2 above, members are now required to approve the audited Annual Accounts for signature. Appendix 1 attached provides a copy of the Annual Accounts for members' consideration.

- 4.2. The Joint Committee's external auditors, Audit Scotland, have completed an audit which extends across the 2016/2017 Annual Accounts and related matters. In summary, the report provides a clean audit certificate with no audit actions identified. A full copy of the report has been provided to members at this meeting.
- 4.3. Copies of the audited Annual Accounts are attached at Appendix 1 to this report and will be available on South Lanarkshire Council's website.

5. Employee Implications

- 5.1. None

6. Financial Implications

- 6.1. The audited Annual Accounts indicate that the Joint Committee's total revenue expenditure amounted to £0.067 million in 2016/2017 and was funded by other income of £0.069 million. This resulted in a £0.002 million surplus, which can be added to the revenue cash balance of £0.009 million brought forward from 2015/2016.
- 6.2. After taking account of any accruals and commitments, this leaves a revenue cash balance of £0.011 million to be carried forward into 2017/2018, for use in future years.
- 6.3. This position has been confirmed by the Joint Committee's external auditors, Audit Scotland.

7. Other Implications

- 7.1. The main risk associated with the Clyde Valley Learning and Development Joint Committee Annual Accounts was a qualified audit report. The risk was assessed as low due to the detailed preparation in relation to the year end process, technical training undertaken by key finance staff and the roll out of this to Resource finance staff as appropriate. Finance Services and the Project Implementation Steering Group work together to achieve key deadlines and actions set from timetables.
- 7.2. There are no implications for sustainability in terms of the information contained in this report

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 8.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Jackie Taylor
Treasurer

14 August 2017

Previous References

- ◆ None

List of Background Papers

- ◆ Clyde Valley Learning and Development Joint Committee Annual Accounts 2016/17 and External Auditor's report.

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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***CLYDE VALLEY LEARNING AND DEVELOPMENT
JOINT COMMITTEE***

ANNUAL ACCOUNTS

2016/2017

CLYDE VALLEY LEARNING AND DEVELOPMENT JOINT COMMITTEE

ANNUAL ACCOUNTS 2016/2017

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Introduction by the Convenor of Clyde Valley Learning and Development Joint Committee

The Clyde Valley Learning and Development Project stands unique as a local government collaboration within the field of learning and development; one which has now been delivering successful outcomes and shared benefits to all of its Members and Associates for nine years.

Maintaining a collaborative project such as the Clyde Valley Group's, over such a long period of time, remains a challenge for all involved, particularly when Member Councils have so many competing priorities and projects. It is to the credit of the membership that the Project remains active and able to continue to deliver best practice outcomes for all concerned.

Every year, a new example of good practice emerges which brings benefits to the member councils and their staff. This year, the introduction of the Clyde Valley's partnership programme with the Royal Environmental Health Institute of Scotland (REHIS) provided a notable highlight.

This example of using technology to deliver large volumes of training to council employees represents a very effective use of resources, while also enhancing the learning experience of our employees. It is a good example for how e-learning and use of information technology can continue to be harnessed to improve our services.

As I have previously observed, it is now difficult to imagine the Clyde Valley Councils running the wide range of learning and development programmes on offer without considering the role that e-learning now plays in facilitating that delivery.

In Social Care, the Promoting Positive Behaviour (PPB) programme has now passed relatively seamlessly into becoming the preferred model of choice for the majority of our Member Councils. The significance of the task of developing this model should not be forgotten, and it is for this reason that it is immensely satisfying that the PPB model is now so widely used.

I very much hope and believe that examples like these successful projects demonstrate that the Clyde Valley Project continues to have a significant role to play in shaping the future of learning and development for each of our organisations in the coming years.

As this is my final year as Convenor of Joint Committee, I would like to thank the Members and officers of all the Member Councils for their continued support and commitment to the Project and I hope the new Members of the Committee will continue with that support in future.

I have to say that I have been lucky to have had the support of a number of Elected Members over the past nine years, not forgetting the continual support of the officers and I wish all of you well in the future.

Councillor Denis McKenna
Chair (2016/2017)
Clyde Valley Learning and Development Joint Committee

CLYDE VALLEY LEARNING AND DEVELOPMENT JOINT COMMITTEE
Statement of Accounts 2013/14

Management Commentary 2016/2017

Introduction

The Management Commentary of the Clyde Valley Learning and Development Joint Committee will provide the reader with information on the environment in which the Joint Committee operates and on the Joint Committee's performance, both operationally and financially.

The following commentary relates to the 2016/2017 financial year, which within the context of the challenges facing all our public services, Clyde Valley Learning and Development Joint Committee continues to maintain a strong presence.

Objectives

The overall objective of the project remains to establish and deliver a number of shared approaches to training, learning and development between the Clyde Valley Councils (South Lanarkshire, North Lanarkshire, East Dunbartonshire, West Dunbartonshire, Glasgow City, East Renfrewshire, Inverclyde and Renfrewshire Councils) which will result in:

- ◆ Greater efficiency due to shared working rather than a council-by-council approach
- ◆ Reduced duplication of effort
- ◆ The identification, development and sharing of best practice
- ◆ Setting, achieving and maintaining the highest standards of service delivery
- ◆ Modernising service delivery by improving practice and making best use of information technology
- ◆ A consistent approach to training, learning and development,
- ◆ Ensuring equality of opportunity for all Clyde Valley employees in accessing appropriate learning and development.
- ◆ Developing centres of excellence from which to deliver models suitable for replication nationally

Financial Statements

The purpose of the financial statements is to demonstrate stewardship of the public monies which fund the work of the Committee.

The financial statements have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/2017, supported by International Financial Reporting Standards (IFRS) which ensures a set of statements is produced, each statement with a single clear objective.

The cumulative underspend at the end of the year will be held by the Committee for utilisation in future years. These monies are reflected as a creditor balance on the Balance Sheet.

Management Commentary 2016/2017 (continued)

Performance Review 2016/2017

The Clyde Valley Member Councils continue to measure and monitor the benefits and outcomes they achieve through their involvement in the project on an ongoing basis. As the project's stability is maintained and the achievements are considered each year, several themes emerge which demonstrate the added value delivered to Member Councils through a collaborative approach.

In the financial year 2016/2017, benefits have been realised through making cost savings and developing best practice in the following areas:

- ◆ Ongoing contracts achieved through joint procurement
- ◆ E-Learning development, improvements and content sharing
- ◆ Savings in delivery of Scottish Vocational Qualifications
- ◆ Social Care
- ◆ Promoting Positive Behaviour
- ◆ Accredited Front Line Management training (CMI)

In addition to the recurring benefits identified by the Members, it is clear that the established infrastructure, culture and practice prevalent within the Clyde Valley Project, promotes and facilitates countless opportunities for networking, exploring new opportunities and sharing best practice. This remains a source of interest for other organisations further afield, as enquiries continue to be received from external organisations seeking to participate in Clyde Valley activities. Where possible this results in additional Associate Members joining the Group, thereby providing an ever increasing network for sharing best practice.

During this year there has been an emphasis on consolidation of activities carried out by the Group. Again these were primarily focused on the most productive aspects of the Group's work, such as e-learning and Promoting Positive Behaviour. Additional work has also been devoted to the renewal of existing contracts for using online portfolios for the delivery of SVQs, the first delivery of the REHIS/Clyde Valley Joint Award in introductory food hygiene and providing policy and procedural guidelines for the conversion of service delivery to agile working. This was highlighted by the focus on the importance of transformational change for all Clyde Valley Councils, and the specific learning and development needs associated with delivering these changes.

Some examples of these activities include the following:

Existing Programmes

Development of e-learning:

This workstream remains at the centre of the Clyde Valley Project work. All councils (both Associate and Full Members) are now actively creating their own content, based on their own specific development needs. Where this content has a generic dimension, the content is being shared across the full membership without incurring any initial development costs. This approach continues to maximise the return on the Group's investment in the Learning Management System, and associated sharing protocols.

Management Commentary 2016/2017 (continued)

The development of good practice is driven by participation in the bi-monthly e-learning group meetings, which are attended by more than 15 councils regularly, either in person or via conference call/ video link. This remains a powerful forum for problem solving, developing and sharing new skills and techniques and for managing the ongoing improvements to the Brightwave product set (known as spirits).

During this year, the development of Webinar skills has resulted in several of these meetings being held remotely. This new dimension has huge potential to deliver formal training sessions, briefings, seminars and meetings very efficiently. Typically this has allowed multiple participants to share documents, training materials, meeting notes and to participate in discussions for multiple remote locations simultaneously.

Promoting Positive Behaviour (PPB)

The PPB programme is now firmly established within the core group of Clyde Valley Member Councils, with all eight councils now actively involved in the programme's governance, and seven of the eight now running programmes. This is now supported by a robust three tier Governance structure which ensures strong corporate governance of the overall programme, attention to the course content and delivery of the training, and the local management of capacity, quality assurance and evaluation of outcomes. Local governance has now been formalised to increase ownership responsibilities and manage throughput and demand. In addition, a full programme of Continuous Professional Development for practitioner/trainers is also now in place. The considerable interest in the PPB programme from outwith the membership of the Clyde Valley Group has resulted in plans to establish pilot programmes for Associate Member Councils in the very near future. The PPB programme is now an established means of delivering best practice training for field workers working with both adults and children in Social Work, Social Care and Education.

Newly Developed Programmes

A new approach was launched this year to deliver the high volume of council training required for Elementary Food Hygiene. The new Award is jointly badged by the Royal Environmental Health Institute of Scotland (REHIS) and the Clyde Valley Group. The four module e-learning course is the first of its kind in Scotland, and is likely to become the prototype of many similar developments in the coming years.

This example has the twin benefits of generating savings in the costs of delivery, while providing an improved learning and development solution for learners.

Financial Performance

The Comprehensive Income and Expenditure Statement and its accompanying notes and statements summarise the costs and sources of funding in carrying out the Committee's activities.

For 2016/2017, the Revenue Expenditure results for the Committee are shown on page 10 – an underspend position (£0.002m) on the Comprehensive Income and Expenditure Statement which will be carried forward into 2017/2018.

The major element of the Project's expenditure is incurred in respect of Administration

Management Commentary 2016/2017 (continued)

Costs (£0.065m, 97.39%). This is a decrease of £0.109m from 2015/2016, due to First Aid Training no longer being delivered by Clyde Valley Learning and Development Joint Committee.

The Committee's income is mainly made up of contributions from Member Councils. There is a small amount of funding remaining from Scottish Government (via South Lanarkshire Council) who contributed to the start-up costs of the project. This contribution totalled £0.560m in 2007/2008 and the balance unutilised along with the underspend in 2014/2015 and 2015/2016 (£0.004m) has been carried forward into 2016/2017 as a Creditor (£0.009m). The underspend of £0.002m for 2016/2017 will be added to this Creditor balance and these monies will be used for future progress on the project.

This reflects the practical arrangement that exists between the Committee and South Lanarkshire Council where the Council's Loans Fund lends or borrows according to the required cash flow and activities of the Committee.

The Statement of Accounting Policies has been included which details the policies implemented when compiling and presenting the Comprehensive Income and Expenditure Account, Balance Sheet and related statements. The accounting policies are those recommended by the Code of Practice on Local Authority Accounting in the United Kingdom, as supported by the International Financial Reporting Standards.

The Statement of Responsibilities advises that the Head of Finance for South Lanarkshire Council is the designated Treasurer to the Committee and is responsible for the proper administration of the Committee's financial affairs. Full details of the Treasurer's responsibilities are included in the statement.

Outlook

The Clyde Valley Learning and Development Group continue to seek out opportunities to deliver innovation in learning and development through collaborative working. Although the work remains extremely challenging in the context of significant savings target for all, the outcomes achieved still add value for both Member and Associate Councils alike, while keeping the Clyde Valley Group at the forefront of innovation and good practice.

The Group have considered a slightly different approach for 2017/2018, investigating opportunities for learning and development for the practitioners working in the field including the members of the various Clyde Valley Councils.

The Group recognises that existing project work should continue to be implemented and managed, and have proposed that feasibility work should be conducted to investigate the possibilities for taking on additional procurement projects, which would yield savings along the lines of previous successful procurement projects conducted throughout the Clyde Valley Group.

The mutual support of the Member Councils to achieve this remains the greatest strength of the Project and it is to be hoped that this will continue for the foreseeable future.

Management Commentary 2016/2017 (continued)

Although the funding from the Scottish Government has now come to an end, financial contributions from each of the Councils who are members of the Joint Committee have been secured for 2017/2018, and as such the accounts have been prepared on a going concern basis. Should arrangements not be agreed with the Council members, outstanding monies will be returned and service provision will return to a Council level.

Jackie Taylor
Treasurer - Clyde Valley Learning and Development Joint Committee
South Lanarkshire Council Headquarters, Almada Street, Hamilton, ML3 0AA.
28 August 2017

Annual Governance Statement

As a Joint Committee established during financial year 2007/2008, its overall objective remains: to establish and deliver a number of shared approaches to training, learning and development between the Clyde Valley Councils.

In 2016/17, benefits have been realised through making cost savings and developing best practise in the following areas:

- Ongoing contracts achieved through joint procurement
- E-Learning development, improvements and content sharing
- Savings in delivery of Scottish Vocational Qualifications
- Social Care
- Promoting Positive Behaviour
- Accredited Front Line Management training accredited by the Chartered Management Institute.

A new approach was launched this year to deliver the high volume of council training required for Elementary Food Hygiene, a new award jointly badged by Royal Environmental Health Institute of Scotland (REHIS) and the Clyde Valley Group. This e-learning course is likely to become the prototype of many similar developments in the coming years.

As the work of the Clyde Valley Learning and Development Joint Committee develops, I am aware of our governance duties and will continue my commitment to transparency and openness in our governance arrangements. No issues have been identified during 2016/2017 and I will continue to review these as appropriate during 2017/2018.

Clyde Valley Learning and Development Joint Committee's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

The following activities are in place in relation to establishing a robust governance infrastructure:

- All eight Councils continue to be represented on the Joint Committee.
- The scheme of delegation, terms of reference, standing orders, financial regulations and stakeholder roles and responsibilities defined in 2007/2008 remain in place.
- Meetings of the Joint Committee are held three times a year chaired by the elected Convener of the Joint Committee. For 2016/17, this was Councillor Denis McKenna (South Lanarkshire Council).
- Scheme of delegation allows for Clyde Valley Implementation Steering Group to manage direct and prioritise the work programme.
- Minute of agreement has been produced and signed by each of the participating Councils.
- Centralised invoicing and re-charging administered through South Lanarkshire Council.
- Financial Management arrangements through South Lanarkshire Council's FMS Ledger system.
- Risks are identified and managed by the Project Manager on an ongoing basis.

Annual Governance Statement (continued)

I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated in connection with the resources concerned.

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. These arrangements follow the systems of financial management in place within the lead authority, South Lanarkshire Council. The Clyde Valley Learning and Development Joint Committee use the Council's Financial Management systems and are subject to the relevant controls in place as directed by the Internal/External Audit guidance.

The system of internal control can provide only reasonable and not absolute assurance that assets are safeguarded, that transactions are properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

It is my view that in the tenth year of the Clyde Valley Learning and Development Joint Committee (financial year 2016/2017), the systems for internal control were effective and will continue to be reviewed and improved as appropriate in 2017/2018.

Jackie Taylor
Treasurer - Clyde Valley Learning and Development Joint Committee
28 August 2017

Movement in Reserves Statement

The Movement in Reserves Statement shows the movement in the year on the different reserves held by the Joint Committee, analysed into useable reserves and other reserves. This gives a summary of the changes that have taken place in the funding section of the Balance Sheet over the financial year.

A statement of Movement in Reserves has not been included as there is no movement in the funding section of the balance sheet and the General Fund balance for year ended 31 March 2017 is zero.

Comprehensive Income and Expenditure Statement For the Year Ended 31 March 2017

The Comprehensive Income and Expenditure Statement gives a summary of resources generated and consumed by the Joint Committee in the year.

2015/16		2016/17	
£000		£000	Notes
174	Administrative Expenses	65	1
<u>2</u>	Payments to Other Bodies	<u>2</u>	2
176	Total Expenditure	67	
<u>(178)</u>	Income	<u>(69)</u>	
(2)	(Surplus) / Deficit on Provision of Service	(2)	
<u>(2)</u>	Total Comprehensive Income and Expenditure	<u>(2)</u>	
<u>2</u>	Transfer of Surplus to Creditors	<u>2</u>	
<u>0</u>		<u>0</u>	

Balance Sheet as at 31 March 2017

The Balance Sheet summarises the assets and liabilities of the Joint Committee at the Balance Sheet date.

31 March 2016 £000		31 March 2017 £000	Notes
	<u>Current Assets</u>		
0	Debtors	0	
38	Short Term Investments	40	8
<u>38</u>	Total Current Assets	<u>40</u>	
	<u>Current Liabilities</u>		
(38)	Creditors	(40)	3
<u>0</u>	Net Current Assets	<u>0</u>	
	<u>Represented By :</u>		
<u>0</u>	General Fund Balance	<u>0</u>	
<u>0</u>		<u>0</u>	

The notes on pages 13-16 form part of the financial statements.

The unaudited Accounts were approved for issue by the Treasurer on 22 May 2017, and the audited Accounts were authorised for issued on 28 August 2017.

Jackie Taylor
Treasurer – Clyde Valley Learning and Development Joint Committee
28 August 2017

Cash Flow Statement
For the year ended 31 March 2017

The Cash Flow Statement shows the changes in cash and cash equivalents held by the Clyde Valley Learning and Development Joint Committee during the reporting year. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating and investing activities.

2015/16		2016/17
£000		£000
(2)	Net (surplus) on the provision of services	(2)
0	Adjust net surplus or deficit on the provision of services for non cash movements	0
<hr/>		<hr/>
(2)	Net cash flows from Operating Activities	(2)
2	Investing Activities (note 7)	2
<hr/>		<hr/>
0	Net increase or decrease in cash and cash equivalents	0
<hr/>		<hr/>
0	Cash and cash equivalents at the beginning of the reporting year	0
<hr/>		<hr/>
0	Cash and cash equivalents at the end of the reporting year	0
<hr/>		<hr/>

Notes to the Accounts

1 **Administrative Expenses**

The Clyde Valley Learning and Development Joint Committee makes the following payments for administration / support services.

	2016/17	2015/16
	£000	£000
Personnel – Employee Time	28	28
Total Payment to South Lanarkshire Council	28	28
Training Costs for Member Councils	37	146
Total Administration Costs	65	174

2 **Auditors' Remuneration**

The auditors' remuneration is included in the Payments to Other Bodies' expenditure.

	2016/17	2015/16
	£000	£000
Auditors' Remuneration:		
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditors	2	2
	2	2

Clyde Valley Learning and Development Joint Committee has incurred fees of £1,790 for the statutory inspection of the financial statements by Audit Scotland. The comparable figure for 2015/2016 was £2,160. Fees payable in respect of other services provided by the appointed auditor were £nil. (2015/2016: £nil)

3 **Creditors**

The Creditors figure is analysed as follows:

	2017	2016
	£000	£000
Training invoices	0	0
Audit fee	2	2
Prepaid Contributions from Local Authorities	27	27
Balance of Efficiency and Reform Monies held on behalf of constituent councils and the Training Project	5	5
Balance of funding held on behalf of constituent councils and the Training Project	6	4
	40	38

4 **Related Parties**

The Clyde Valley Learning and Development Joint Committee is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Joint Committee. Disclosure of these transactions allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate independently or might have secured

Notes to the Accounts (continued)

the ability to limit another party's ability to bargain freely with the Joint Committee.

All transactions with Councils were entered into under the terms of the Joint Committee and, where appropriate, reported through the Joint Committee. During the year the Joint Committee transacted with the following Councils:

	Receipts 2016/17 £000	Payments 2016/17 £000	Receipts 2015/16 £000	Payments 2015/16 £000
South Lanarkshire Council	15	28	75	28
East Dunbartonshire Council	3	0	9	0
East Renfrewshire Council	5	0	10	0
Glasgow City Council	7	0	9	0
Inverclyde Council	3	0	3	0
North Lanarkshire Council	14	0	38	0
Renfrewshire Council	8	0	20	0
West Dunbartonshire Council	7	0	6	0
Total	62	28	170	28

At the year end the Joint Committee held Short Term Investments and creditor balances with the Local Authorities detailed below:

	Short Term Investment Balances 2017 £000	Creditors Balances 2017 £000	Short Term Investment Balances 2016 £000	Creditors Balances 2016 £000
South Lanarkshire	40	11	38	9
East Dunbartonshire	0	3	0	3
East Renfrewshire	0	3	0	3
Glasgow City Council	0	5	0	5
Inverclyde Council	0	3	0	3
North Lanarkshire	0	5	0	5
Renfrewshire Council	0	5	0	5
West Dunbartonshire	0	3	0	3
Total	40	38	38	36

Notes to the Accounts (continued)

5 Cash Flow Statement - Non Cash Movements

Description	2016/17 £000	2015/16 £000
Movement in Debtors	0	(13)
Movement in Creditors	(2)	11
Total	(2)	(2)

6 Cash Flow Statement – Investing Activities

	2016/17 £000	2015/16 £000
Purchase or (Sale) of short-term and long-term investments	2	2
Net cash flows generated from/(used in) investing activities	2	2

7 Financing and Management of Liquid Resources

Liquid Resources are held by South Lanarkshire Council as lead authority and are available to Clyde Valley Learning and Development Joint Committee as required.

8 Financial Instruments

The following category of financial instrument is carried in the balance sheet:

	31 March 2017 £000	31 March 2017 £000	31 March 2017 £000	31 March 2016 £000	31 March 2016 £000	31 March 2016 £000
	Long Term	Current	Total	Long Term	Current	Total
Investments						
Loans and Receivables	0	40	40	0	38	38
Total Investments	0	40	40	0	38	38

9 Remuneration Report

The Local Authority Accounts (Scotland) Amendment Regulations 2011 require local authorities in Scotland to prepare a Remuneration Report as part of the Financial Statements.

In accordance with the Regulations, and the relevant definition of individuals that are to be disclosed in this report, Clyde Valley Learning and Development Joint Committee has no employees that require to be disclosed.

Clyde Valley Learning and Development Joint Committee makes no payment of salary, allowances or pension contributions to any of the Councillors who are appointed as members of the Joint Committee.

10 Date of Signing of the Accounts

The accounts were authorised on 28 August 2017, by the Treasurer to the Clyde Valley Learning and Development Joint Committee.

11 Post Balance Sheet Events

No events occurred between 1 April 2017 and 28 August 2017 that would have an impact on the 2016/2017 financial statements. The later date is the date on which the accounts were authorised by the Treasurer to the Clyde Valley Learning and Development Joint Committee.

12 Going Concern

The accounts have been prepared on the going concern basis on the basis that funding from partner Local Authorities has been received for 2017/2018.

Statement of Accounting Policies

(a) General

The general policies adopted in compiling and presenting the financial statements are those required by the Local Authority Accounts (Scotland) Regulations 2014, section 12 of the Local Government in Scotland Act 2003, requires they be prepared in accordance with proper accounting practices. These practices primarily comprise Code of Practice on Local Authority in the United Kingdom 2016/2017, issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC), supported by International Financial Reporting Standards (IFRS). There are no significant departures from those recommendations.

The accounts have been prepared under the historic cost convention and accounting policies have been applied consistently.

(b) Accruals basis

The Comprehensive Income and Expenditure Statement is compiled on an accruals basis. Income and expenditure activities are accounted for in the year which they take place, not simply when payments are made or received. Where services have been provided but the income not received by end 31 March 2017 or services have been received but not paid for by end 31 March 2017, then the income and expenditure account has been amended to reflect the outstanding amounts and a debtor or creditor for the relevant amount is recorded in the balance sheet.

(c) Debtors and Creditors

All specific and material sums payable to and paid by the Clyde Valley Learning and Development Joint Committee have been brought into account.

(d) Allocation of Support Expenses

The allocation of Support Expenses is the cost of those South Lanarkshire employees who provide a direct service to the Clyde Valley Learning and Development Joint Committee. The individual support department is Personnel Services where employees are directly involved in the operations of the Clyde Valley Learning and Development Joint Committee. The recharge is made on a consistent basis.

(e) Borrowing Facilities

The Clyde Valley Learning and Development Joint Committee is a separate legal entity and has South Lanarkshire Council as its lead authority. The loans' fund of South Lanarkshire Council acts as banker to the Joint Committee and consequently lends or borrows according to the required cash flow and activities of the Joint Committee.

(f) Financial Instruments

For investments due within 12 months, prevailing benchmark rates have been used to provide the fair value. Where an instrument has a maturity of less than 12 months the fair value is taken to be the principal outstanding. Creditors due within 12 months are not classed as a financial instrument.

Statement of Responsibilities for the Annual Accounts

The Clyde Valley Learning and Development Joint Committee's responsibilities

The Clyde Valley Learning and Development Joint Committee 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. In this Committee, that officer is the Treasurer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- approve the Annual Accounts for signature

I confirm that these Annual Accounts were approved for signature by the Clyde Valley Learning and Development Joint Board at its meeting on 28 August 2017.

Signed on behalf of Clyde Valley Learning and Development Joint Committee

Chair - Clyde Valley Learning and Development Joint Committee

The Treasurer's responsibilities

The Treasurer is responsible for the preparation of the Clyde Valley Learning and Development Joint Committee's Annual Accounts in accordance with proper practices set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code).

In preparing the Annual Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the local authority Code.

The Treasurer has also:

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

I certify that the Annual Accounts give a true and fair view of the financial position of the Joint Committee at 31 March 2017 and its income and expenditure for the year ended 31 March 2017

Jackie Taylor

**Treasurer – Clyde Valley Learning and Development Joint Committee
28 August 2017**

Independent auditor's report to the members of Clyde Valley Learning and Development Joint Committee and the Accounts Commission

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice approved by the Accounts Commission, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Report on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Clyde Valley Learning and Development Joint Committee for the year ended 31 March 2017 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Comprehensive Income and Expenditure Statement, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 (the 2016/17 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2016/17 Code of the state of affairs of the Clyde Valley Learning and Development Joint Committee as at 31 March 2017 and of its surplus on the provision of services for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2016/17 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK and Ireland (ISAs (UK&I)). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the joint committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standards for Auditors, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Treasurer for the financial statements

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with applicable legal requirements and ISAs (UK&I) as required by the Code of Audit Practice approved by the Accounts Commission. Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors. An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the circumstances of the joint committee and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Treasurer; and the overall presentation of the financial statements.

My objectives are to achieve reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK&I) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Other information in the annual accounts

The Treasurer is responsible for the other information in the annual accounts. The other information comprises the information other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Accounts Commission to the extent explicitly stated later in this report.

In connection with my audit of the financial statements in accordance with ISAs (UK&I), my responsibility is to read all the financial and non-financial information in the annual accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Report on other requirements

Opinions on other prescribed matters

I am required by the Accounts Commission to express an opinion on the following matters.

In my opinion, based on the work undertaken in the course of the audit

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- I have not received all the information and explanations I require for my audit; or
- there has been a failure to achieve a prescribed financial objective.

I have nothing to report in respect of these matters.

Dave Richardson FCCA
Senior Audit Manager, Audit Services
Audit Scotland
4th Floor, South Suite
The Athenaeum Building
8 Nelson Mandela Place
GLASGOW
G2 1BT

28 August 2017

Glossary of Terms

Much of the terminology used in this Report is intended to be self-explanatory, however, the following additional definition and interpretation of terms used may be helpful:

1. Administration Costs

This includes printing and stationery, advertising, postages, telephone costs and central support services allocations for administration.

2. Payments to Other Bodies

This includes payments to other organisations and agencies providing services complementing or supplementing the work of the Clyde Valley Learning and Development Joint Committee.

3. Borrowing Facilities and Temporary Interest on Revenue Balances

The loans fund of South Lanarkshire Council lends or borrows according to the cash flow of the Clyde Valley Learning and Development Joint Committee. This temporary interest credited / debited to the Clyde Valley Learning and Development Joint Committee's Income and Expenditure Account reflects the interest earned or charged to the Committee for funds lent to or borrowed from the loans fund of South Lanarkshire Council.

4. Sales, Fees and Charges

This income from charges to external organisations and bodies for the direct use of the Clyde Valley Learning and Development Joint Committee's services or the purchase of goods from the Joint Committee e.g. sale of training courses.

Clyde Valley Learning and Development Joint Committee Members

2016/17 Clyde Valley Learning and Development Joint Committee Members:

Council

East Dunbartonshire Council
East Renfrewshire Council
Glasgow City Council
Inverclyde Council
North Lanarkshire Council
Renfrewshire Council
South Lanarkshire Council
West Dunbartonshire Council

Member

Councillor Jim Gibbons
Councillor Ian McAlpine
Councillor Martin Rhodes
Councillor Terry Loughran
Councillor Kaye Harmon
Councillor Jackie Henry
Councillor Denis McKenna
Councillor Michelle McGinty

2017/18 Clyde Valley Learning and Development Joint Committee Members:

Council

East Dunbartonshire Council
East Renfrewshire Council
Glasgow City Council
Inverclyde Council
North Lanarkshire Council
Renfrewshire Council
South Lanarkshire Council
West Dunbartonshire Council

Member

Councillor Jim Gibbons
Councillor Colm Merrick
Councillor Richard Bell
Councillor Martin Brennan
Councillor Angela Campbell
Councillor Jim Paterson
Councillor Katy Loudon
Councillor Karen Conaghan