

The Highland & Western Isles

VALUATION JOINT BOARD

ANNUAL REPORT 2001/2002

CONTENTS

	Page
Introduction by the Convener	1
Commentary by the Assessor and Electoral Registration Officer	2
Background Information	3 – 7
Performance Report	8 – 9
Statement of Audited Accounts	

INTRODUCTION

Last year I introduced a new form of Annual Report in which it was acknowledged that it is important not only to record expenditure accurately but also to demonstrate through performance criteria that public funds are being used in an efficient and effective manner.

This latest Report and Accounts is the next step in fulfilling our stated intention to develop a portfolio of measures to provide over time a balanced picture of the work of the Department of the Assessor and Electoral Registration Officer and to be able to demonstrate continuous improvement over time. To this end and for clarity and comparison, the key performance indicators for both the financial year 2001/2002 and the previous financial year are provided.

In the course of the year in question, the highlight was the General Election which went well for the Department with polling day passing without any significant difficulty. Follow up work did not identify any concern on the part of users as to the quality of registers provided.

More generally performance as measured by the key performance indicators shows signs of improvement.

I commend this Report to you in the belief that it takes a further and important step towards achieving our aims.

John H Green
Convener
Highland and Western Isles Valuation Joint Board

COMMENTARY BY THE ASSESSOR AND ELECTORAL REGISTRATION OFFICER

As the Convener has indicated, the highlight of the year was the General Election which from a departmental perspective was uncontroversial. All timetables were met, polling generated but a few queries on the day and consultation with the parties afterwards did not identify any problems arising from the polling registers.

In the core Rating and Council Tax business ongoing maintenance and appeal clearance were the main activities and significant progress was achieved. Loss on appeal was lower than anticipated and only a small number of cases required the attention of the Valuation Appeal Committee.

The new "rolling register" regime for electoral registration has settled down with the number of changes per month steady at around five hundred altered registrations.

Staff training was carried forward with the commencement of a programme designed to qualify all staff to the European Computer Driving Licence standard at the desktop level and development and training on specialist systems continued.

Progress was made in addressing the Best Value agenda and costs were kept under control. Provision had been made to cover costs associated with the changes in electoral law but the legislation in question was deferred and the provision was not called upon.

The early signs of improvement can be found in the performance section of the Report for which I have provided a commentary. My staff are to be complemented for their efforts in achieving this outcome.

In the year ahead, further revisions to the electoral registration regime will require attention. Preparation for the next rating revaluation will require to commence and assorted computer development work will be carried forward.

The central aim will remain the delivery of a cost effective, high quality service to the public in accordance with the current statutory regimes.

Douglas J Gillespie
Assessor & Electoral Registration Officer
Highland and Western Isles Valuation Joint Board

BACKGROUND INFORMATION

THE BOARD

The Highland and Western Isles Valuation Joint Board took operational legal effect on 1 April 1996 when the most recent reorganisation of Local Government was implemented. Prior to this similar duties were carried out by a Joint Valuation Committee.

The Board has full administrative oversight of the Department but does not have operational responsibility for the determination of valuations, bands or electoral registration. These operational matters are for the Assessor and Electoral Registration Officer to decide subject to the independent appeal procedures which exist for each area of activity.

The Board normally meets four times a year with its budget meeting taking place in January.

The Clerk to the Board in 2001/2002: Roslyn Pieroni, Head of Committee and Members' Services, The Highland Council.

MEMBERS OF THE BOARD

The current membership of the Board (and their substitutes) is set out below.

Highland Council

J H Green – Convener
Mrs A L Magee
J W A Thomson
N M Clark
A M M Beaton
J N Matheson
D W Briggs
A Gordon

Comhairle nan Eilean Siar

D I Nicholson – Vice Convener
I M MacLeod

SUBSTITUTES

A I MacDonald
A Rhind
Vacancy
D Allan
J C Cole
A McFarlane Slack
G S Moncrieff
D Fraser

G Lonie
D J MacSween

THE ASSESSOR

The Assessor is a statutory official appointed by the Valuation Joint Board who is directly responsible for carrying out valuations for Council Tax and Rating purposes and related matters. The present Assessor is Mr Douglas J. Gillespie. The law requires that the Assessor be a corporate Member of the Royal Institution of Chartered Surveyors.

THE ELECTORAL REGISTRATION OFFICER (ERO)

Is an official appointed by the Highland Council and Comhairle nan Eilean Siar who is directly responsible for compiling the Register of Electors and related matters. The present ERO is Mr Douglas J. Gillespie

THE DEPARTMENT'S FUNCTIONS

RATING

Valuation Roll

Valuations are compiled at rating Revaluations, the last one taking effect on 1 April 2000. The Valuation Roll contains what may loosely be referred to as "non-domestic" properties. It is more technically correct to say that it lists all property other than "dwellings" (which appear in the Council Tax List) and properties which are not exempt from inclusion in the Roll.

Apart from the address of the property, the Valuation Roll contains details of the proprietor, tenant and occupier of the subject together with its Net Annual Value and Rateable Value.

The Valuation Roll may be inspected at the Assessor's Offices, Finance Authorities, National Library, Council Service Points and the Scottish Record Office.

Definition of Value

Net Annual Value is the rent at which the property might reasonably be expected to let on a year to year basis on the assumption that the tenant is responsible for repairs and insurance and any other expenses necessary to maintain the property in a state to command the rent.

The Rateable Value of the property, in most cases, is the same as the Net Annual Value, however in a few cases the legislature provides for relief to be given by requiring a reduction from Net Annual Value to reach Rateable Value.

Calculation of the Rates Bill

The Rates Bill which is actually paid is calculated by multiplying the Rateable Value which appears in the Valuation Roll by the relevant rate poundage for the property. The rate poundage is determined annually by the Scottish Executive. This basic calculation may require further adjustment to take account of transitional relief and other reliefs which apply to particular properties. The Assessor is responsible for determining the Net Annual Value

and Rateable Value only. The levying of rates and their recovery is the responsibility of the Revenues Sections of the two constituent Councils.

Changes to Value

The values determined for the purposes of the 2000 Rating Revaluation were based on the physical circumstances as at 1 January 2000 and the levels of value applicable as at 1 April 1998. Once a Roll is in force, the Assessor has a duty to maintain the Roll to take account of material changes of circumstances affecting value which includes adjustments necessitated by extensions or demolitions or other changes which may affect the value of the property. The level of value remains that relevant to 1 April 1998 for the (normally five year) currency of the Roll. The Assessor also has a duty to correct any errors (as defined) which come to light.

Appeals

The Valuation Acts provide for a right of appeal to the Valuation Appeal Panel, with further rights of appeal to the Lands Tribunal for Scotland and the Lands Valuation Appeal Court, which is a division of the Court of Session.

COUNCIL TAX

The Assessor is required to ascribe all dwellings to one of eight value bands. The Assessor is not obliged to carry out an individual valuation if he is satisfied that the property clearly falls into a particular band. The bands are as set out below:

	Band
Up to £27,000	A
Over £27,000 and up to £35,000	B
Over £35,000 and up to £45,000	C
Over £45,000 and up to £58,000	D
Over £58,000 and up to £80,000	E
Over £80,000 and up to £106,000	F
Over £106,000 and up to £212,000	G
Over £212,000	H

Definition of Value

In broad terms, the value of a property for Council Tax purposes is the price that it might reasonably be expected to sell for in the open market on 1 April 1991 on the assumption that it was in a reasonable state of repair. Certain additional assumptions apply in the case of agriculture, crofting, fish farming and forestry related dwellings.

Calculation of the Bill

The Assessor is responsible only for the determination of which band applies to a property. The amount of the Council Tax bill to be paid is set by the local authority who require to determine each year the amount that will be payable for a Band D equivalent property. The

related amounts payable by properties in the other bands are set out in statute. The Revenues Section of the local Council also applies in the billing any reliefs which are required in respect of persons living alone, benefit recipients etc.

Changes to Banding

Once they are established there are only limited circumstances in which the Assessor can change the banding of a property. He may do so if there is an error. He may also do so if a property has been reduced in value by virtue of a demolition. He may change the band where the property has increased in value following alteration, sufficient to carry it into a different valuation band, but only if the property has been sold after the alteration was carried out. Notices are sent intimating any change which explain the position in greater detail.

Appeals

There is a right of appeal against Council Tax banding to the Valuation Appeal Panel and a further right of appeal, on a point of law only, to the Court of Session.

ELECTORAL REGISTRATION

The Electoral Register

The canvass for the Electoral Register takes place between 1 September and 1 December each year. A new Register is published on 1 December.

Anyone entitled but not registered or anyone who has changed address during the course of the year can apply to register at their current address at any time. The date at which they will be added to the Register depends on the point in the month at which they apply. Normally it will take between two and six weeks. Special rules apply during the canvass period.

The Right to Vote

A person is entitled to vote as an elector if on the date of the poll he or she –

- is registered in the relevant register of electors for that constituency;
- is not subject to any legal incapacity to vote (age apart);
- is either a Commonwealth citizen or a citizen of the Republic of Ireland;
- or is a European Union citizen (Local Government and European Parliamentary elections only); and
- is of voting age (that is, 18 years or over).

A person is not entitled to vote as an elector –

- more than once in the same constituency at any election; or
- in more than one constituency.

Persons under the Age of 18

While no-one can vote until they are eighteen, names can be added to the Register showing their date of birth up to a maximum of two years before they achieve voting age, depending on the time of application.

Absent Votes

Electors have a right to vote by post which can be exercised by completing the relevant form. No reason need be given nor is it necessary to wait until an election is called to make an application.

Voters may also arrange to vote by proxy whereby another person is authorised to vote on their behalf. Proxy votes are available to electors who cannot reasonably be expected to vote at the polling station allotted to them because of

- the nature of their employment
- their attendance on a course of education
- their physical incapacity
- the necessity of a journey by air or sea to get to the polling station.

Appeals

An elector's first line of appeal against a determination is at a hearing held by the ERO. If the appellant remains dissatisfied, there is a right of appeal to the Sheriff. Further appeal rights exist to the Registration Court, a Division of the Court of Session.

PERFORMANCE REPORT

The overall aim of the Department is:

“to discharge fully the Office of Assessor and Electoral Registration Officer in a manner that is exemplary”

This broad aim requires be rendered more specific and to this end The Scottish Executive, in consultation with the Accounts Commission, established the following Key Performance Indicators for use by Assessors in connection with the ‘Best Value’ regime.

KEY PERFORMANCE INDICATORS – 2001/2002

VALUATION ROLL	2000/2001	2001/2002
Total number of entries	18,227	18,512
Total Rateable Value	£184.4m	£189.5m
No of Amendments Effected	1,839	1,500
Amendments within time periods (%)		
0-3 months	55.8	60.1
3-6 months	20.9	17.5
Over 6 months	23.3	22.4
Adjustment from Appeal Settlement (%)	0.1	0.8
<u>COUNCIL TAX</u>		
Total No of Entries	115,170	116,132
Adjustment to Band D Equivalent	104,980	105,682
New Entries Added	1,731	1,612
New entries within time periods (%)		
0-3 months	83.2	84.6
3-6 months	10.9	11.2
Over 6 months	6	4.2
<u>GENERAL</u>		
Costs of All Permanent Staff	£1.27m	£1.29m
Number of FTE staff as at 1 April each year	59.5	53

COMMENTARY ON PERFORMANCE REPORT

The foregoing statistics require some explanation and interpretation.

Valuation Roll

There is an improvement on the corresponding figures for 2000/2001. There is, however, a recognition that the benefits from close examination of these aspects of performance are likely to be more visible at the outset and future improvement will be more difficult to achieve.

The adjustment from Appeal Settlement figures now appear misleading on a year by year basis given the five year cycle of events in the rating timetable. The design of this particular indicator is the subject of discussion.

Council Tax

The influence of initial effect of focus, as well as natural variation, suggest that there should be no assumption that true underlying improvement is plainly established. Nevertheless, the outcome is promising.

General

Staff costs are low in comparison to other Assessors' Departments. The model by which these are calculated is the subject of further discussion given that some Departments use directly employed staff for certain functions, for example information technology, while others employ outside contractors.

The number of full-time equivalent staff is potentially misleading when viewed in the short-term. The figure of 53 staff is a snap shot as at 1 April 2002 and reflects the fact that there were vacancies to be filled at that time. Once a wider view over a five year period is available, a clear picture will emerge of the trend.

Benchmarking discussions indicate that sickness levels in the Department are good both in comparison with other Assessors' Departments and Highland Council Services. In 2000/2001 the loss of time expressed as a percentage of total staff time was 4.36%. In 2001/2002 this figure was 2.95%. Again, however, it has become clear that in a small organisation, long-term illness has a significant effect on such statistics and fluctuation from year to year is inevitable.

In conclusion, the improvements achieved are encouraging and their true significance will become apparent once the new system has bedded in.

**HIGHLAND AND WESTERN ISLES
VALUATION JOINT BOARD**

STATEMENT OF ACCOUNTS

2001/02

CONTENTS

	Page
Explanatory Foreword	1
Report by Treasurer to the Board	2
Statement of Accounting Policies	3 - 4
Revenue Account and Notes	5 - 7
Balance Sheet and Notes	8 - 10
Statement of Requisitions	11
Cash Flow Statement and Notes	12 - 13
Statement of Responsibilities	14
Independent Auditor's Report	15

EXPLANATORY FOREWORD

The Board's accounts for the year ended 31 March 2002 provide an assessment of the Board's performance. The accounts have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain.

The accounts, which follow, consist of the:

- ◆ Statement of Accounting Policies which explains the policies adopted in compiling the accounts;
- ◆ Revenue Account which reports the net cost of the service and the funding from each constituent authority;
- ◆ Balance Sheet which details the assets; liabilities and their financing as at 31 March 2002;
- ◆ Cash Flow Statement which summarises the inflows and outflows of cash; and
- ◆ Statement of Responsibilities which sets out the responsibilities of the Board and the Treasurer.

In addition, the Report by the Treasurer to the Board provides a brief explanation of the financial aspects of the Board's activities and draws attention to the main features of the Board's financing.

REPORT BY TREASURER TO THE BOARD

Introduction

The Highland and Western Isles Valuation Joint Board administers the Rating Valuation, Council Tax Valuation and Electoral Registration services on behalf of The Highland Council and the Comhairle Nan Eilean Siar.

Operational control of the service is the responsibility of the Assessor who receives administrative, financial and computing support from The Highland Council.

Revenue Budget Performance

The Board's net budgeted expenditure in 2001/02 was £2.09M (£2.01M in 2000/01). The actual expenditure to be met from constituent authorities is £1.93M (£1.89M in 2000/01), an underspend of £0.16M (£0.12M in 2000/01). The underspend can be broken down into the following main categories -

	<u>£</u>
• Staff Costs – deferred replacements and restructuring	44k
• Property Costs – unresolved rent review.	10k
• Administration – legal expenses down due to fewer appeals than usual	18k
• Supplies and Services – fewer appeal committee meetings and provision for changes in electoral reform not taken up in the year.	93k
• Interest on Revenue Balances – less than budgeted	(3k)
• Sale of Register	<u>1k</u>
Total	<u>£163k</u>

The net expenditure of the Board's service is allocated between the constituent authorities on the basis of population. For 2001/02 the net expenditure of the Board has been allocated as detailed in the following table.

Constituent Authority	2001/02		2000/01	
	£M	%	£M	%
The Highland Council	1.70	88%	1.67	88%
Comhairle Nan Eilean Siar	0.23	12%	0.22	12%
	1.93	100%	1.89	100%

Acknowledgement

I conclude my report by thanking the staff of my service for their support during the year and my colleagues, in other services, and The Highland and Western Isles Valuation Joint Board for their continued co-operation.

Treasurer

STATEMENT OF ACCOUNTING POLICIES

1. General

The accounts have been prepared, as far as practicable, in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain (the Code). There are no material departures from the above, however, the accounts do not comply with the requirements of the Best Value Accounting Code of Practice (BVACOP) issued by the Chartered Institute of Public Finance and Accountancy. One of the requirements of BVACOP is for both Councils and Joint Boards to show Service Expenditure Analysis in a different format to that normally provided in the Annual Accounts. Although no specific reference is made to Joint Valuation Boards, it has been decided that, whilst not feasible for 2001/02, the corporate and democratic core costs, and unapportionable overheads will be separately identified in future years. The requirements of the Statement of Standard Accounting Practice No. 24 (SSAP 24) in respect of future pension liabilities are not fully reflected in the accounts, the pension liabilities under SSAP 24 are, however, disclosed in a note to the Balance Sheet.

2. Revenue Transactions

All revenue transactions have been recorded on an accruals basis. This includes employee costs, which are charged to the period that employees worked; and supplies and services, which are accounted for in the period in which they are consumed or received.

3. Leases

Rental repayments under operating leases have been charged to revenue on a straight-line basis over the term of the lease. The Board do not have any finance leases.

4. Overheads

The costs of the directly employed administrative and professional staff are included within "Staff Costs". The charges made in relation to support services provided by the Highland Council are based on actual work undertaken, and are included within "Supplies and Services".

5. Debtors and Creditors

Debtors include all material amounts due to the Board at 31 March 2002. Creditors include all material sums due by the Board at 31 March 2002 including salaries and wages earned but unpaid at the year-end and requisition balances due to the constituent authorities.

6. Highland Council's Loans Fund

The Highland Council's Loans Fund provides all the day to day banking requirements of the Board.

6. Pension Scheme

The Board participates in one pension scheme that meets the needs of employees in the service. Subject to certain qualifying criteria, employees are eligible to join the Local Government Pension Scheme. The Board is an admitted body in The Highland Council's Pension Scheme. The contributions paid into the Pension Fund are charged to the Revenue Account. Further costs arise in respect of certain pensions paid to retired employees on an unfunded basis.

The pension costs included in the accounts in respect of the scheme have been determined in accordance with relevant Government regulations. As a result, the Board does not comply with the accounting requirements of SSAP 24 'Accounting for Pension Costs' and the liabilities included in the Balance Sheet are understated in respect of pension costs. However, in accordance with standard accounting practice in local authorities, the pension costs that it would have been necessary to provide for in the accounts are disclosed by way of a note to the Revenue Account.

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

REVENUE ACCOUNT

for the year ending 31 March 2002

2000/01 Actual £'000		2001/02 Budget £'000	2001/02 Actual £'000
1,357	Staff	1,429	1,385
139	Property	155	145
112	Administration	127	109
3	Transport and Plant	3	3
<u>316</u>	Supplies and Services	<u>411</u>	<u>318</u>
1,927	Gross Expenditure	2,125	1,960
(8)	Sales of Register etc	(4)	(5)
(25)	Interest on Revenue Balance	(24)	(21)
(33)	Gross Income	(28)	(26)
<u>1,894</u>	Net Expenditure	<u>2,097</u>	<u>1,934</u>
-	Contributing Authorities		
(1,673)	Highland Council	(1,852)	(1,708)
(221)	Comhairle Nan Eilean Siar	(245)	(226)
<u>(1,894)</u>		<u>(2,097)</u>	<u>(1,934)</u>

NOTES TO THE REVENUE ACCOUNT

1. Analysis of employees earning over £40,000

	2001/02	2000/01
	No. of	No. of
	Employees	Employees
Salary Band		
£40,000 - £49,999	1	0
£50,000 - £59,999	1	1
£60,000 - £69,999	0	1

2. Manpower Statistics

	2001/02	2000/01
	No. of	No. of
	Employees	Employees
Male F/T	27	28
Male P/T	0	0
Female F/T	28	30
Female P/T	<u>2</u>	<u>2</u>
Total	<u>57</u>	<u>60</u>

3. Members Allowances

The Board consists of 10 members comprising:

Highland Council	8
Comhairle Nan Eilean Siar	2

The Board paid a total of £2,254 (£1,465 in 2000/01) to members for travel and subsistence with a further £1,684 (£1,676 in 2000/01) being paid by The Highland Council for responsibility allowance.

4. Publicity

Section 5 of the Local Government Act 1986 requires the Board to disclose an analysis of expenditure on publicity. The expenditure was as follows:

	2001/02	2000/01
Recruitment Advertising	£1,381	£5,690
General Advertising	<u>£1,402</u>	<u>£4,619</u>
Total	£2,783	£10,309

5. Leases

The Board made the following rental payments in respect of leased property during 2001/02 -

- Inverness £ 50,750 pa (lease ends 30/11/04)
- Stornoway £ 11,000 pa (lease ends 31/3/08)

Undischarged obligations as at 31 March 2002 amount to £201,333.

6. Pensions

The Board participates in the Local Government Pension Scheme administered by the Highland Council – this is a funded scheme, meaning that the Board and employees pay contributions into a fund, calculated at a level estimated to balance the pensions liabilities with investment assets.

In 2001/02 the Board paid an employer's contribution of £0.1M (*£0.1M in 2000/01*) into the Highland Council's Pension Fund, representing 11.26% (*10.8% in 2000/01*) of pensionable pay. The contribution rate is determined by the Fund's Actuary, based on triennial actuarial valuations, the last review being at 31 March 1999

In addition, the Board is responsible for all pension payments relating to added years benefits it has awarded, together with related increases. In 2001/02 these amounted to £0.012M (*£0.011M in 2000/01*) representing 1.3% (*1.2% in 2000/01*) of pensionable pay.

The Fund's Actuary has advised that the pension costs that it would have been necessary to provide for the year in accordance with SSAP 24, "Accounting for Pension Costs", are £0.092M (*£0.093M in 2000/01*), representing 10% (*10% in 2000/01*) of pensionable pay.

Capital Costs of Discretionary Increases in Pension Payments - The capital cost for the Valuation Joint Board for 2001/02 was nil. In prior years the cost was £172,919.

Further information can be found in the Highland Council's Pension Fund's Annual Report, which is available upon request to the Board Treasurer, Highland Council, Glenurquhart Road, Inverness.

See also note 2 to the Balance Sheet - disclosure of net pensions asset/ liability.

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

BALANCE SHEET AS AT 31 MARCH 2002

As at 31 March 2001			As at 31 March 2002	As at 31 March 2002
Actual			Actual	Actual
£'000			£'000	£'000
	Current Assets			
13	Sundry Debtors	General	8	
3		Constituent Authorities	-	
196	Temporary Advance with Loans Fund		299	
212	Total Assets			307
	Current Liabilities			
67	Sundry Creditors:	General	29	
145		Constituent Authorities	278	307
-	Net Assets			-

A. GEDDES C.P.F.A.
Treasurer

NOTES TO THE BALANCE SHEET

1. Financial Reporting and the Euro

The following statement complies with the Accounting Standards Board Urgent Issues Task Force (UITF) Extract 21 consensus on Financial Reporting and the Euro.

- (i) Particulars of commitments at the balance sheet date in respect of costs to be incurred:
 - There are no commitments as at 31st March 2002.
- (ii) An indication of the total likely costs to be incurred:
 - There are no likely future costs.
- (iii) Disclosure of expenditure regarded as exceptional in accordance with FRS3:
 - No exceptional expenditure was incurred in the year.

2. Disclosure of net pensions asset/liability

As part of the terms and conditions of employment of its officers and other employees, the Board offers retirement benefits. Although these will not actually be payable until employees retire, the Board has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement.

In 2001/2002, pensions costs have been charged to the Revenue Account on the basis of contributions payable for the year to the Highland Council Pension Scheme (based on a formal actuarial valuation for 31 March 1999), and the pensions payable in the year to retired officers. However, at 31 March 2002, the Board had the following overall assets and liabilities for pensions that have not been included in the Balance Sheet.

	Local Government Pension Scheme £000's
Estimated assets in the scheme	7,670
Estimated liabilities in the scheme	(7,110)
Estimated liabilities for Discretionary Pensions	<u>(173)</u>
	<u>387</u>

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be paid in future years dependant on assumptions about mortality rates, salary levels, etc. The Highland Council Fund liabilities have been assessed by Hymans Robertson, an independent firm of actuaries. The main assumptions used in their calculations are :

**Local Government
Pension Scheme**

Rate of inflation	2.8%
Rate of increase in salaries	4.3%
Rate of increase in pensions	2.8%
Rate for discounting scheme liabilities	6.4%

Assets in the Highland Council Pension Fund are valued at fair value, principally market value for investments, and consist of the following categories, by proportion:

	%
Equity Investments	77%
Bonds	19%
Other Assets	<u>4%</u>
	100%

See also note 6 to the revenue account.

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

STATEMENT OF REQUISITIONS AS AT 31 MARCH 2002

Constituent Authority	Population as at June 2000	Budget Requisition 2001/02 £'000	Actual Requisition 2001/02 £'000	Balance Due (to)/from Constituent Authority 2001/02 £'000	Balance Due (to)/from Constituent Authority Prior Years £'000	Net Balance £'000
The Highland Council	208,600	1,852	1,708	(144)	(99)	(243)
Comhairle Nan Eilean Siar	27,560	245	226	(19)	(16)	(35)
TOTAL	236,160	2,097	1,934	(163)	(115)	(278)

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

CASH FLOW STATEMENT for the year ended 31st March 2002

2000/01 £'000		2001/02 £'000	2001/02 £'000
	REVENUE ACTIVITIES		
	Cash Outflows		
(1,350)	Cash Paid to and on behalf of employees	(1,392)	
<u>(532)</u>	Other Operating Cash Payments	<u>(607)</u>	
(1,882)			(1,999)
	Cash Inflows		
4	Cash received for goods and services	11	
<u>1,850</u>	Other operating cash receipts	<u>2,070</u>	
1,854			2,081
	(28) Net Cash Inflow/(Outflow) from Revenue Activities		82
	SERVICING OF FINANCE		
	Cash Inflows		
<u>25</u>	Interest Received	<u>21</u>	
<u>25</u>	Net Cash Inflow from Servicing of Finance		<u>21</u>
<u>(3)</u>	NET INCREASE/(DECREASE) IN CASH		<u>103</u>

HIGHLAND & WESTERN ISLES VALUATION JOINT BOARD

NOTES TO THE CASH FLOW STATEMENT

1. Reconciliation of net cash outflow from revenue activities.

2000/01 £'000		£'000	£'000
-	Surplus/Deficit on Revenue Account	-	-
	Non revenue items		
(25)	Interest on Revenue Balances		(21)
	items on an accruals basis:		
(6)	(Increase)/Decrease in Debtors	8	
3	Increase/(Decrease) in Creditors	95	
			103
(28)	Net Cash Inflow/(Outflow) from Revenue Activities		82

2. Reconciliation of Movement in Cash to the Movement in Net Debt

2000/01 £'000		1/4/01 £'000	31/3/02 £'000	Movement £'000
<u>(3)</u>	Temporary Advance to/(from) Loans Fund	<u>196</u>	<u>299</u>	<u>103</u>
<u>(3)</u>	NET INCREASE/(DECREASE) IN CASH			<u>103</u>

STATEMENT OF RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board's responsibilities

The Board 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 the Highland and Western Isles Valuation Joint Board that officer is the Treasurer to the Board.
- ◆ to manage its affairs, to secure economy, efficiency and effective use of resources and safeguard its assets.

The Treasurer's Responsibilities

The Treasurer is responsible for the preparation of the Board's statement of accounts. These are required, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain (the Code), to present fairly the financial position of the Board at the accounting date and its income and expenditure for the year ended 31 March 2002.

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

The Statement of Accounts presents fairly the financial position of the Board at the accounting date and its Income and Expenditure for the year ended 31 March 2002

TREASURER

Independent Auditor's Report

To the members of Highland and Western Isles Valuation Joint Board and the Accounts Commission for Scotland

I certify that I have audited the statement of accounts on pages 3 to 13 under the Local Government (Scotland) Act 1973. The statement of accounts has been prepared in accordance with the accounting policies set out on pages 3 to 4.

Respective responsibilities of the Treasurer and Auditor

As described on page 14 the Treasurer of the Board is responsible for the preparation of the statement of accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom, a Statement of Recommended Practice. My responsibilities, as independent auditor, are established by statute and the Code of Audit Practice approved by the Accounts Commission, and guided by the auditing profession's ethical guidance.

I report my opinion as to whether the statement of accounts presents fairly the financial position of the Board at 31 March 2002 and its income and expenditure for the year. I also report if, in my opinion, the Board has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information published with the statement of accounts and consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the statement of accounts.

Basis of audit opinion

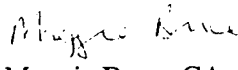
I conducted my audit in accordance with Part VII of the Local Government (Scotland) Act 1973 and the Code of Audit Practice, which requires compliance with relevant United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the statement of accounts. It also includes an assessment of the significant estimates and judgements made by the Treasurer in the preparation of the statement of accounts and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

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 statement of accounts is free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the statement of accounts.

Opinion

In my opinion the statement of accounts presents fairly the financial position of the Board as at 31 March 2002 and its income and expenditure for the year then ended.


Maggie Bruce CA
Senior Audit Manager
Audit Scotland
Ballantyne House
84 Academy Street
Inverness IV1 1LU

28 October 2002