

Managing Transport Infrastructure Assets

A view from the Audit Commission



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“A key principle that underpins the Code is that the same data should be capable of serving the needs of asset management, financial management, budgeting and financial reporting.”

*Code of Practice on Transport Infrastructure Assets,
CIPFA, 2010*

Why is this of interest to the Commission?

“Financial planning needs to be linked to the organisation’s strategic and corporate planning processes.”

“Management needs to have a thorough understanding of the financial implications of current and potential alternative policies, programmes and decisions.”

*World Class Financial Management,
Audit Commission, November 2005*

Why is it important for auditors?

- Under the Code of Audit Practice, auditors must:
 - Express an opinion on the statement of accounts; and
 - Satisfy themselves that proper arrangements have been made for securing economy, efficiency and effectiveness
- The Infrastructure Code has implications for both of these

Impact of the Code on auditors' work in respect of the accounts

- Little short-term impact on audit opinions

But

- Longer-term implications

Why is financial reporting important?

- What are our assets worth?
- What is the financial impact of our operational activity?

Whole of Government Accounts

- Purpose of WGA
- Timetable
- Consistency

The way forward

- 2012/13 – move to current value reporting – impact on auditors' opinion
- Road maintenance study

Any questions?