

Scottish Information Commissioner

Annual Accounts

Year Ended 31 March 2007

SCOTTISH INFORMATION COMMISSIONER
Annual Accounts for the year ended 31 March 2007

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MANAGEMENT COMMENTARY

Background

This statement of accounts reports the results of the Scottish Information Commissioner for the year 1 April 2006 to 31 March 2007. It has been prepared in accordance with paragraph 5 of Schedule 2 to the Freedom of Information (Scotland) Act 2002 (FOISA), and also in accordance with the Accounts Direction given by Scottish Ministers.

Kevin Dunion was appointed as Scottish Information Commissioner (the Commissioner) on 24 February 2003. The Commissioner's appointment is for a period of five years.

In terms of section 43 of FOISA, the statutory functions of the Commissioner are to:

- i. enforce FOISA, the Environmental Information (Scotland) Regulations 2004 (the EIRs) and the codes of practice issued under section 60, 61 and 62 of FOISA;
- ii. provide guidance on FOISA and the EIRs to the public and promote the following of good practice by Scottish Public Authorities;
- iii. give advice to any person on these matters.

The Commissioner receives funding through the Scottish Parliamentary Corporate Body (SPCB) following budget approval by the Finance Committee of the Scottish Parliament. He is accountable for his finances to the Scottish Parliament and is the designated Accountable Officer.

Financial Position

The Operating Cost Statement shows the income and expenditure for the year. The Commissioner's net expenditure on operating activities for the year ended 31 March 2007 totalled £1,387,000 (2006: £1,135,000).

In addition there was £29,000 (2006: £27,000) of capital expenditure, giving total net expenditure for the period of £1,416,000 (2006: £1,162,000). As recorded in note 2 to the accounts, this expenditure was within the budget for the financial year.

Operating Expenditure in 2006-7 includes legal costs of £123,000 (2006: £20,000) incurred in defending Appeals to the Court of Session.

These costs do not form part of the Commissioner's agreed budget. However under a Memorandum of Understanding between the Commissioner and the SPCB these costs are, in the first instance, met from the Commissioner's agreed budget. Once this is exhausted it is accepted that the Commissioner may have access to the Officeholders' contingency fund. (This fund is a separate ring-fenced central contingency for use by the Parliamentary nominated Officeholders for any exceptional additional funding requirement which can not be met from their agreed budget allocation).

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In 2006-7 it was possible to meet these costs in full from the Commissioner's agreed budget. Excluding these costs, the Commissioner's underlying expenditure for the year was therefore £133,000 under the budget agreed with the SPCB.

Performance and Development during the Financial Year

Investigation Management

The main function of the Commissioner and his staff is to determine applications for decision received by the Commissioner in respect of responses made by Scottish public authorities to requests for information.

During the financial year 2006-7, 505 applications were received, 559 cases were closed and 294 cases were carried forward.

Three additional Freedom of Information Officers (FOIOs) were appointed during the year and a significant review of investigations procedures was undertaken, building upon the experience gained after the first full year of FOISA's implementation. These changes combined to make it possible to keep pace with the number of new applications being received and to commence a reduction of the number of cases on hand.

Policy and Information

The Commissioner also has a statutory role to promote FOISA (and good practice relating to it) to public authorities and to the public.

The Commissioner's annual public awareness survey, published in November 2006, showed that the Scottish public agree that more information is available as a result of FOISA. The survey also showed a sharp fall in those who believe that public authorities will find ways around the law.

The findings suggest that public awareness of the FOI rights remains high (nearly three quarters of all respondents) following significant increases in awareness over the last two years.

The Commissioner has maintained regular contact with a full range of public sector organisations, including presentations to key public authority groups.

He has given evidence to the Scottish Parliament's Finance Committee's Inquiry into Accountability and Governance; the Committee published its report in November 2006.

Operational Management

In July 2006 the Commissioner appointed a Head of Operational Management (HOOM) with the primary function of ensuring his Office is operationally effective, highly responsive and appropriately resourced.

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The HOOM supports organisational development and accountability through business planning; reviewing processes and identifying efficiencies; benchmarking performance; developing risk management procedures and corporate governance arrangements.

The Commissioner has direct responsibility for his accounting function including the keeping of proper paper records for income and expenditure and the preparation of accounts.

Future Developments

Strategic Planning

The initial Strategic Plan, covering the first five years of operation, is approaching its conclusion and, in developing a new Plan for the next phase of FOISA's implementation, the Commissioner will consider the strategies which will be most effective in maximising the impact of the resources available to him.

The Plan will cover the key areas of delivering a high quality service to applicants and public authorities; developing good practice with public authorities and the public; promotion of the legislation and maintaining an efficient and highly effective Office.

Investigation Management

In 2007-8 there will be continued focus on reducing the volume of cases on hand, supported by the addition of further investigative and case management capacity. In particular, the backlog of cases will be eradicated.

The knowledge and skills base of the organisation will be further developed, building upon the experience gained in the two years since FOISA's implementation.

Policy & Information

The funding secured for 2007-8 allows for the addition of two FOIOs dedicated to developing good practice with public authorities and maintaining public awareness of FOISA.

This team will also be responsible for the re-approval of the Publication Schemes maintained by Scotland's 10,000 public authorities, to be conducted using a four-year rolling programme.

Operational Management

A detailed business plan will be prepared to support the budget submission for 2008-9.

A new Performance Management System for staff will be introduced and during the year there will be a focus on developing knowledge management and internal communications. Areas including records management, environmental impact and business continuity will also be subject to review and development.

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Public Interest Reporting

Payment of creditors

The Commissioner is committed to the CBI Prompt Payment Code for the payment of invoices for goods and services received. Payments are normally made in accordance with supplier terms and conditions or as specified in agreed contract terms. In accordance with the Scottish Public Finance Manual, where no specific terms are agreed or stated, payment is made within 30 days of the presentation of a valid invoice or similarly valid demand for payment. Payment terms were met in 92% of all undisputed invoices. In the case of disputed invoices, these were paid within 30 days of the dispute being settled.

Equal Opportunities

The Commissioner supports the principle of equal opportunities in carrying out his operational functions and employment practices. This means he is committed to pursuing positive action in his organisation's policies and practices to ensure that no individual is discriminated against, either directly or indirectly, unlawfully or unjustifiably because of their personal status in relation to race, ethnic or national origin, religion, age, gender, sexual or marital status or disability.

Provision of Information to Employees

The office of the Commissioner has adopted the principles of openness and participation in its organisation and places a high level of importance on both informing and consulting staff. It does so by providing access to management papers, through oral and written briefings, by staff meetings and events. Information is only withheld where this can be shown to be justified or where a duty of confidence is owed to a third party.

Pension Costs

The Commissioner and his staff are eligible to become members of the civil service pension arrangements.

Audit

The accounts are audited by auditors appointed by the Auditor General for Scotland in accordance with paragraph 5 (2) of Schedule 2 of the FOISA 2002.

Disclosure of information to auditors

As Accountable Officer, as far as I am aware, there is no relevant audit information of which the auditors are unaware. I have taken all reasonable steps that ought to have been taken to make myself aware of any relevant audit information and to establish that the auditors were aware of that information.



Kevin Dunion
Scottish Information Commissioner

Date: 15.4.2007

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REMUNERATION REPORT

The Commissioner's appointment is for a period of 5 years and remuneration of the Commissioner is set by the SPCB. Following nomination by the Scottish Parliament the Commissioner is appointed by Her Majesty the Queen.

The Commissioner's salary and pension entitlement are set out below:

Remuneration	2006-7 £'000	2005-6 £'000
Salary	80-85	75-80
Benefits in kind	nil	nil

Salaries include basic salaries, and where appropriate performance bonuses payable, reserved rights, recruitment and retention allowances. They do not include employer National Insurance or Superannuation contributions.

Pension Benefits

	Real increase in pension and related lump sum at age 60 <u>£'000</u>	Total accrued pension at age 60 as at 31 March 2007 and related lump sum <u>£'000</u>	CETV at 31 March 2006 <u>£'000</u>	CETV at 31 March 2007 <u>£'000</u>	Value of CETV increase over year <u>£'000</u>
Commissioner					
Kevin Dunion	0 – 2.5 Lump sum	5 – 10 Lump sum	60	81	17

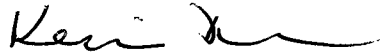
The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the scheme, not just their service in the senior capacity to which the disclosure applies. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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The real increase in the value of the CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



15.8.2007

Kevin Dunion
Scottish Information Commissioner

Date:

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STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

The SPCB designated the Commissioner as the Accountable Officer for the Scottish Information Commissioner. The relevant responsibilities as Accountable Officer, including responsibility for the propriety and regularity of the public finances and for keeping proper records, are set out in the Memorandum to Accountable Officers of Other Public Bodies issued by the Scottish Executive and published in the Scottish Public Finance Manual.

Under paragraph 5(1) of the FOISA 2002, the Commissioner is required to prepare a statement of accounts for each financial year in the form as directed by Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the Commissioner's affairs at the year end and of the financial activities of his office during the year.

In preparing the accounts, the Commissioner is required to:

- (i) observe the Accounts Direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- (ii) make judgements and estimates on a reasonable basis;
- (iii) state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
- (iv) prepare the financial statements on a "going concern" basis, unless it is inappropriate to presume that the Commissioner will continue in operation.

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STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

Purpose of the System of Internal Control

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the organisation's policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the organisation's policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The process within the organisation accords with the Scottish Public Finance Manual (SPFM) and has been in place for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts.

Risk and Control Framework

All bodies subject to the requirements of the SPFM must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

A Risk Register, aligned with strategic and operational plans, has been established with the participation of all of my staff. The Register considers the operational, financial and reputational risks to which the organisation is exposed, and the identified risks have been weighted in light of their significance in terms of the impact they would have on the business process and the likelihood of the risk and its associated impacts occurring.

An action plan has been developed, designed to mitigate the risks identified in the Register. The management of risk is embedded in organisational activity; the Register and progress against the action plan's objectives is reviewed in detail by the Senior Management Team on a monthly basis, and a full review of the Register, involving all staff, is scheduled annually.

More generally, the organisation is committed to a process of continuous development and improvement: developing systems in response to any relevant reviews and developments

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in best practice in this area. In particular, in the period covering the year to 31 March 2007 and up to the signing of the accounts the organisation has:

- Continued the appointment of an Internal Auditor to undertake a series of reviews of key controls.
- Continued the appointment of an Advisory Audit Board, which meets twice per annum, to review the system of internal control and provide me with advice on whether the appropriate assurances required for the signing of this Statement have been provided.
- Revised the format of the Risk Register enabling the detailed assessment of progress against objectives.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control.

My review is informed by senior staff who contribute to the development and maintenance of the internal control framework, from reports of internal auditors, views of the Advisory Audit Board and comments made by the external auditors in their management letter and other reports.

To date financial controls, case handling and the risk management arrangements have been reviewed by the Internal Auditor and recommendations (if any) arising from these reviews implemented.

The Advisory Audit Board, which met twice during the financial year, reviewed the arrangements for internal control and provided very useful guidance and support.

The appointment of the Head of Operational Management has enabled an increased focus on internal controls and risk management.

Collectively, these arrangements have resulted in a strengthening of internal controls and I consider them to be effective.

Appropriate action is in place to address any weaknesses identified and to ensure continuous improvement of the system.



Kevin Dunion
Scottish Information Commissioner

Date: 15.4.2007

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INDEPENDENT AUDITOR'S REPORT

To the Scottish Information Commissioner, the Auditor General for Scotland and the Scottish Parliament

We have audited the financial statements of the Scottish Information Commissioner (the Commissioner) for the year ended 31 March 2007 under the Freedom of Information (Scotland) Act 2002. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them.

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 123 of the Code of Audit Practice approved by the Auditor General for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of the Scottish Information Commissioner and Auditor

The Commissioner is responsible for preparing the annual report and the financial statements in accordance with the Public Finance and Accountability Act 2000 and directions made thereunder by the Scottish Ministers. The Commissioner is also responsible for ensuring the regularity of expenditure and receipts. These responsibilities are set out in the Statement of Accountable Officer's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and with International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland.

We report our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Public Finance and Accountability Act 2000 and directions made thereunder by the Scottish Ministers. We also report whether in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. We also report if, in our opinion, the Foreword is not consistent with the financial statements, if the body has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

We review whether the Statement on Internal Control reflects the body's compliance with the Scottish Executive's guidance. We report if, in our opinion, it does not comply with the guidance or if it is misleading or inconsistent with other information we are aware of from our audit of the financial statements. We are not required to consider, nor have we considered, whether the statement covers all risks and controls. Neither are we required to form an opinion on the effectiveness of the body's corporate governance procedures or its risk and control procedures.

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We read the other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the Management Commentary and the Remuneration Report except the section on Remuneration and Pension Benefits. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board as required by the Code of Audit Practice approved by the Auditor General for Scotland. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the board and the Commissioner in the preparation of the financial statements, and of whether the accounting policies are appropriate to the body's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinion

Financial statements

In our opinion

- the financial statements give a true and fair view, in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers, of the state of affairs of the body as at 31 March 2007 and of its net operating cost, total recognised gains and losses and cash flows for the year then ended; and
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Freedom of Information (Scotland) Act 2002 and directions made thereunder by the Scottish Ministers.

**SCOTTISH INFORMATION COMMISSIONER
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Regularity

In our opinion in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

A handwritten signature in black ink that reads "Grant Thornton UK LLP". The signature is written in a cursive, flowing style.

**Grant Thornton UK LLP
Chartered Accountants and Registered Auditors
Conference House
152 Morrison Street
Edinburgh
EH3 8EB**

15 August 2007

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OPERATING COST STATEMENT
for the year ended 31 March 2007

	<u>Notes</u>	2006-7 £'000	2005-6 £'000
<u>Income</u>	3	(3)	(4)
<u>Expenditure</u>			
Staff costs	4,5	804	604
Other operating costs	6	514	463
Depreciation	7,8	72	72
<u>Total expenditure</u>		<u>1,390</u>	<u>1,139</u>
<u>Net expenditure for the year</u>		<u>1,387</u>	<u>1,135</u>

All amounts relate to continuing activities.

There have been no gains or losses other than those recognised in the Operating Cost Statement.

The accompanying notes on pages 16 to 22 form an integral part of these accounts.

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BALANCE SHEET
as at 31 March 2007

	<u>Notes</u>	2006-7 £'000	2005-6 £'000
<u>Fixed Assets</u>			
Tangible assets	7	249	298
Intangible assets	8	19	13
Total fixed assets		268	311
<u>Current Assets</u>			
Debtors	9	33	20
Cash at bank and in hand	10	58	50
		91	70
Creditors - amounts falling due within one year	11	(86)	(58)
Net current assets		5	12
Total net assets		273	323
 Financed by:			
General Fund	12	273	323
		273	323

The accompanying notes on pages 16 to 22 form an integral part of these accounts.



Kevin Dunion
 Scottish Information Commissioner

Date: 15.8.2007

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CASH FLOW STATEMENT
for the year ended 31 March 2007

<u>Operating Activities</u>	2006-7 £'000	2005-6 £'000
Net cash flows from operating activities (i)	(1,290)	(1,019)
 <u>Capital Expenditure</u>		
Payments to acquire tangible fixed assets	(29)	(27)
	(1,319)	(1,046)
<u>Financing</u>		
From the Scottish Parliamentary Corporate Body (ii)	1,327	1,095
Increase in cash	8	49

(i) Reconciliation of operating deficit to net cash inflow from operating activities

	2006-7 £'000	2005-6 £'000
Operating deficit	(1,387)	(1,135)
Decrease / (increase) in debtors	(13)	(2)
(Decrease) / increase in creditors	28	34
Depreciation	72	72
Notional costs	10	12
Net cash outflow from operating activities	(1,290)	(1,019)

(ii) Analysis of changes in cash and bank

	At 1 April 2006 £'000	Cash flow £'000	At 31 March 2007 £'000
Cash at bank and in hand	50	8	58

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NOTES TO THE ACCOUNTS

1 Accounting Policies

1.1 Basis of Accounting

These accounts cover the financial year to 31 March 2007. The financial statements have been prepared under the historical cost convention. The accounts meet the requirements of the Government Financial Reporting Manual and of applicable accounting standards.

1.2 Fixed Assets

1.2.1 *Capitalisation*

Purchases of assets for a value exceeding £500 inclusive of irrecoverable VAT are treated as capital with the exception of land and buildings where the threshold is set at £10,000 and IT equipment where the group value exceeds £500.

1.2.2 *Intangible Fixed Assets*

Software licences are capitalised as intangible fixed assets and amortised on a straight line basis over the expected life of the licence (3years).

1.2.3 *Valuation*

As appropriate, assets are reflected at their value to the organisation by reference to current cost.

1.2.4 *Depreciation*

Depreciation is provided on all tangible fixed assets, other than artwork, at rates calculated to write off the costs or valuations on a straight line basis over their estimated useful lives as follows:

Leasehold improvements	over the remaining period of the lease
Furniture and equipment	5 years
Fixtures and fittings	5 years
IT equipment	3 years

1.3 Funding receivable

Funding received from the Scottish Parliamentary Corporate Body (SPCB) is credited directly to the general fund in the period to which it relates.

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1.4 Leases

The Commissioner holds no material finance leases. Costs in respect of operating leases are charged to the Operating Cost Statement as they fall due.

1.5 Notional Costs

In line with HM Treasury Fees and Charges Guide and DAO letter 8/96, the Commissioner includes notional costs for cost of capital at the rate approved by HM Treasury of 3.5% (2006: 3.5%) in real terms on all assets and liabilities.

1.6 Pension Costs

The Commissioner

The Commissioner is paid through the Scottish Parliamentary Corporate Body's payroll and is a member of the Principal Civil Services Pension Scheme (PCSPS).

Employees

All the Commissioner's staff are members of the PCSPS. This is an unfunded multi-employer defined benefit scheme, but the Commissioner is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2003. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation section (www.civilservice-pensions.gov.uk).

1.7 Value Added Tax

The Commissioner is not registered for VAT. All VAT is charged to the Operating Cost Statement or capitalised with the relevant asset as appropriate.

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2 Performance Against Budget

The Commissioner is funded through the SPCB. For the financial year 2006-7 the Commissioner was allocated a funding budget of £1,337,000. Outturn at £1,327,000 was under budget.

	2006-7 Budget	2006-7 Expenditure	Variance	2005-6 Expenditure
	£'000	£'000	£'000	£'000
Net Operating Cost	1,391	1,387	4	1,135
Capital Expenditure	29	29	0	27
Total expenditure	1,420	1,416	4	1,162
Accruals adjustments:				
Non cash items	(83)	(82)	(1)	(84)
Working capital (inc cash)	-	(7)	7	17
Cash Funding from SPCB	1,337	1,327	10	1,095

3 Income

	2006-7 £'000	2005-6 £'000
Miscellaneous income	0	1
Bank interest received	3	3
	3	4

4 Staff costs

4.1 Commissioner	2006-7 £'000	2005-6 £'000
Salary	80	78
Social security costs	9	8
Pension costs	20	19
Total	109	105

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4.2	Administrative staff	2006-7 £'000	2005-6 £'000
	Salary	543	393
	Social security costs	43	31
	Pension costs	109	75
	Agency costs		0
	Total	695	499
4.3	Total staff costs	804	604

Salaries include basic salaries and, where appropriate, performance bonuses payable, reserved rights, recruitment and retention allowances. They do not include employer National Insurance or Superannuation contributions.

4.4 Average number of persons employed:

The average number of whole-time equivalent persons employed during the year was:

	2006-7	2005-6
Commissioner	1	1
Staff	19	14
	20	15

5 Pension Costs

For 2006-7 employers' contributions of £109,207 (2006: £83,840) were payable to the Principal Civil Service Pension Scheme (PCSPS) at one of the four rates in the range 17.1 to 26.5 per cent of pensionable pay based on salary bands (2006: 16.2 to 24.6 per cent). The Scheme Actuary reviews employer contributions every four years following a full scheme valuation. The next review will be due in 2008-9. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

There were no outstanding or prepaid scheme contributions at the balance sheet date.

On death, pensions are payable to the surviving spouse at the rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of at least twice pensionable pay, depending on the scheme joined within PCSPS, and also provides a service enhancement on computing the spouse's pension. The enhancement depends on the length of service and cannot exceed ten years. Medical retirement is possible in the

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event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions. There were no ill health retirements during 2006-7.

6 Analysis of Operating Expenditure

	2006-7 £'000	2005-6 £'000
Property costs	70	64
Advertising costs	127	161
Administration costs	161	204
Legal costs for Court of Session hearings	123	20
Travel and Expenses	7	7
Audit Fees	16	15
Notional Cost of Capital	10	12
	514	483

The above total includes £16,230 for external auditor's remuneration (2006: £14,800). External audit received no fees in relation to non-audit work (2006: None).

Included within Administration costs is £5,739 (2006: £2,144) equipment rental costs in association with operating leases.

7 Fixed assets

	Building and leasehold improvements	Artwork	Fixtures, fittings, equipment & furniture	IT hardware and systems	Total
	£'000	£'000	£'000	£'000	£'000
<u>Cost</u>					
At 1 April 2006	205	15	100	112	432
Additions	0	0	7	5	12
Disposals	0	0	(1)	0	(1)
At 31 March 2007	205	15	106	117	443
<u>Depreciation</u>					
At 1 April 2006	29	0	45	60	134
Charge for the year	12	0	21	28	61
Disposals	0	0	(1)	0	(1)
At 31 March 2007	41	0	65	88	194
Net book value at 31 March 2007	164	15	41	29	249
Net book value at 31 March 2006	176	15	55	52	298

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8 Intangible Assets

<u>Cost</u>	Software
	£'000
At 1 April 2006	25
Additions	17
Disposals	0
At 31 March 2007	<u>42</u>
<u>Depreciation</u>	
At 1 April 2006	12
Charge for the year	11
Disposals	0
At 31 March 2007	<u>23</u>
Net book value at 31 March 2007	<u>19</u>
Net book value at 31 March 2006	<u>13</u>

9 Debtors

	2006-7	2005-6
	£'000	£'000
Debtors	1	0
Prepayments	32	20
	<u>33</u>	<u>20</u>

10 Cash at Bank and in hand

	2006-7	2005-6
	£'000	£'000
Cash held at commercial bank	<u>58</u>	<u>50</u>

11 Creditors: amounts falling due within one year

	2006-7	2005-6
	£'000	£'000
Trade creditors	28	35
Accruals	58	23
	<u>86</u>	<u>58</u>

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12 General Fund

	2006-7 £'000	2005-6 £'000
As at 1 April 2006	323	351
Net expenditure for the year	(1,387)	(1,135)
Funding from the SPCB	1,327	1,095
Notional costs	10	12
As at 31 March 2007	273	323

13 Commitments under Operating Leases

	Buildings 2006-7 £'000	Equipment 2006-7 £'000	Total 2006-7 £'000	Total 2005-6 £0'000
Operating lease commitments expiring:				
Within 1 year	0	0	0	0
Within 1-5 years	0	4	4	0
After 5 years	37	0	37	40
	37	4	41	40

14 Capital Commitments and Contingent Liabilities

There were no contracted capital commitments as at 31 March 2007 (2006: NIL).

During 2006-07, third parties have sought to appeal the Commissioner's rulings in the Court of Session. The Commissioner has defended these cases and is liable to pay legal costs if the Court of Session upholds the appeals. (2006: None)

15 Related Party Transactions

The Scottish Information Commissioner receives its funding from the SPCB following an annual Parliamentary budget approval process. The SPCB is regarded as a related party.

None of the Commissioner, other staff or related parties has undertaken any material transactions with the Scottish Information Commissioner during the year.

16 Post Balance Sheet Events

None

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APPENDIX 1 - ACCOUNTS DIRECTION



SCOTTISH INFORMATION COMMISSIONER

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of paragraph 5 of Schedule 2 of the Freedom of Information (Scotland) 2002, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 20 April 2004 is hereby revoked.

Signed by the authority of the Scottish Ministers

Dated

1 September 2006