

10 STATEMENT OF ACCOUNTS 2009-10 (A.137/15/PN)

Purpose of the Report

- 1 To seek approval for the draft Statement of Accounts for 2009-10.

Recommendations

- 2 **That the draft Statement of Accounts for 2009-10 as attached at Appendix 1 be approved.**

How does this contribute to our policies and legal obligations?

- 3 The Accounts and Audit Amendment Regulations require the Statement of Accounts to be approved by Members by 30 June of each year.

Proposals

- 4 The Accounts confirm that the Authority has maintained its financial position in 2009-10, in line with the report to Services Committee on 4th June.
- 5 The accounts for the 2009-10 year are in the same format as the previous year; next year however the accounts will be reported in a different format in order to comply with the transition from UK based generally accepted accounting practice (UKGAAP) to International Financial Reporting Standards (IFRS); the presentation will therefore be different but the core accounting statements and principles will remain more or less the same.
- 6 The summary of the Annual Governance Statement reported in the previous report is included in the Statement of Accounts as required.
- 7 The position on over and underspending was reported to the Services Committee on 4th June. The only changes to that position are shown in the table below.

General Fund Balance as at 31/03/09	1,290,073
Surplus to the General Fund as reported 4 th June	151,854
Surplus appropriated to slippage and contingency reserve as approved by Services Committee	(151,854)
General Fund Balance after Service Committee approvals	1,290,073
Additional proposed sum to be added to the contingency reserve agreed of £90,059, making the reserve total £100,000.	(9,941)
Other final accounts adjustments (following capital accounting adjustments, analysis of provisions and system reconciliations)	6,522
Revised General Fund Balance as reported in the Statement of Accounts	1,286,654

As a result of these extra adjustments the increase in the contingency fund up to £100,000 means that the revised general fund balance now shows a small deficit of £3,419. Members are asked to note and approve this amendment as part of approving the accounts in Recommendation 1.

- 8 Members will recall that the recent significant changes to the Statement of Accounts in 2006-07 resulted in Local Authorities reporting much higher deficits on their Income & Expenditure Account, the majority of which only represent “book-keeping” entries which are required to be charged to the Authority’s Income & Expenditure Account, and then to be subsequently reversed out (as the Statement of Movement on the

General Fund Balance and Note 2 show) to derive a true “cash” surplus / deficit as traditionally managed and reported by Local Authorities prior to this change. In view of the complexity of some of the financial reporting in the Accounts, the Chief Finance Officer will be available between the date of publication of this report and the committee meeting to meet with or respond to any queries Members may have. The Notes to the Accounts also contain specific explanations of the amounts shown in the main accounting statements.

Audit of the Accounts

- 9 The audit should be completed by the end of August and will subsequently be reported to the Audit & Performance committee.

Are there any corporate implications members should be concerned about?

- 10 **Financial:**
The financial position was explained in the outturn report to Services Committee on the 4th June and the Statement of Accounts contains explanations and commentary as required by the Code of Accounting Practice.
- 11 **Risk Management:**
This is covered in the Annual Governance Statement
- 12 **Sustainability:**
Not appropriate to this report.
- 13 **Background Papers** (not previously published) - None

Appendices

Appendix 1: Draft Statement of Accounts for the Financial Year 2009-2010

Report Author, Job Title and Publication Date

Philip Naylor, Chief Finance Officer, 17 June 2010