

Presentation to Audit and Governance Committee 24th June 2010

Final Accounts – features & facts

Final Accounts – background

- **Accounts and audit regulations 2003**
- **Local Government Act 2003 – Section 21 (2)**
- **Statement of Recommended Practice (SORP)**
- **Impact of other statutory provisions**
- **Clear information about the authority's finances**
- **Common pattern of presentation**

Introductions

- **Foreword – summarising the main features of the accounts**
- **Summary of the financial year – main features of the financial statements and prospects for the future**
- **Statement of accounting policies – main principles and policies used to calculate the figures in the accounts**

Income & Expenditure Account

- **Net cost for the year of all functions for which the authority is responsible**
- **Highlights:**
 - **total cost of services in the year (c £39.9m)**
 - **borrowing costs (c £0.9m)**
 - **investment income (c £0.3m)**
 - **parish precepts (c £1.2m)**

Balance Sheet

- **Shows the authority's financial position at the year end**
- **Highlights:**
 - **Value of long term assets held (c £238m)**
 - **Money owed & owing (debtors & creditors)**
 - **Investments (c £4.7m)**
 - **Borrowing (c £16m)**
 - **Reserves & balances (c £5.7m)**
 - **Pension liability (c£38m)**

Cash flow statement

- **Summarise the inflows and outflows of cash for revenue and capital purposes**
- **Highlights:**
 - **employee costs (c £16m)**
 - **benefits paid (excluding tenants) (c £8m)**
 - **government grant towards benefits (c £22m)**

Notes to the financial statements

These include:

- **Pension costs**
- **Senior officer salaries (new disclosure)**
- **Members allowances**
- **External audit costs**
- **Fixed assets**
- **Borrowing**
- **Reserves**

Housing Revenue Account (HRA)

- **Required by Part 6 of the Local Government & Housing Act 1989**
- **Schedule 4 of LG & HA 1989 specifies debits & credits “ring fence”**
- **Annual subsidy determination & item 8 determination**
- **Highlights:**
 - **Housing rents received (c £13m)**
 - **Housing repairs & maintenance (c £3.5m)**
 - **Housing subsidy paid to Government (c £3.6m)**

Collection fund

- **Summarises transactions relating to non-domestic rates and Council Tax**
- **Section 89 of the Local Government Finance Act 1988**
- **Highlights:**
 - **Council Tax (c £40m)**
 - **Non domestic rates (c £45m) collected & paid to Government**
 - **Precepts paid – including LCC (c £32m) & Police (c £5m)**