
REPORT TO: SPECIAL FINANCE AND
MANAGEMENT COMMITTEE

AGENDA ITEM: 6

**DATE OF
MEETING:** 29th JUNE 2006

CATEGORY:
RECOMMENDED

REPORT FROM: DIRECTOR OF CORPORATE
SERVICES

OPEN

**MEMBERS'
CONTACT POINT:** KEVIN STACKHOUSE (595811)

DOC: u/ks/final
accounts/summary report 0506

SUBJECT: STATEMENT OF ACCOUNTS
2005/06

REF:

**WARD(S)
AFFECTED:** ALL

**TERMS OF
REFERENCE:** FM 08

1.0 Recommendations

- 1.1 That the Council's Statement of Accounts for the year ended 31 March 2006 (subject to Audit) be approved.
- 1.2 That the Committee authorises the Chairman of the Committee to sign the accounts in accordance with the Accounts and Audit Regulations 2003.
- 1.3 That the Summary of Accounts 2005/06 (subject to Audit) be approved and published alongside the main financial statements.

2.0 Purpose of Report

- 2.1 To submit the Council's annual accounts and financial statements (subject to Audit) for 2005/06. This is in accordance with provisions made in the Accounts and Audit Regulations 2003.

3.0 Detail

Statutory Requirements

- 3.1 The Account and Audit Regulations 2003, stipulate that the council's annual accounts must be considered and approved by an appropriate committee. For 2005/06, this must be completed by 30th June 2006.
- 3.2 This year is the earliest in recent years that the Council has closed its accounts and prepared the appropriate statements.
- 3.3 The Regulations also require the Chair of the relevant committee to sign the Accounts. This indicates that Members have considered them in accordance with the regulations.

The Council's Accounts and Financial Statements

- 3.4 A copy of the Council's Statement of Accounts for the year ended 31 March 2006 is attached to this report. The first part of the Statement explain how the accounts are set out and provide some background and overview of the Council's financial standing.
- 3.5 Generally, the various statements that follow are technical in nature and follow regulations and best professional practice.

Summary of Accounts

- 3.6 However, in an effort to improve the presentation of financial information, a Summary of Accounts has also been produced. This is intended to provide an overview of the detailed statements in a way that is reasonably easy to understand.
- 3.7 The draft summary is also attached after the main statements. It is based on what is considered to be good practice that has been used in other local authorities. The Committee is encouraged to provide views, comments, questions or suggestions on its format and content.
- 3.8 It is proposed to publish this summary alongside the main accounts and also on the web site, with some information also being included in autumn edition of the Council's Newspaper.
- 3.9 Furthermore, it is proposed to consult with local residents and other stakeholders on their requirements regarding the format and content of the summary later in the year.

External Audit

- 3.10 The accounts are subject to Audit. The Audit Commission are scheduled to commence their Audit of the Accounts in August 2006 and are required to issue their opinion by 30th September 2006.
- 3.11 In addition the Council's Chief Finance Officer is required to provide a Letter of Representation to the External Auditors. This confirms that there are no significant events that have occurred after the end of the accounting period that will materially affect the Accounts for 2005/06.
- 3.12 The Council's external auditors have requested that this letter be provided at the end of their audit.
- 3.13 In addition, the Auditors will report to the Audit Sub Committee on 27th September 2006, to report on any issues that have arisen from their audit. This is a new requirement for this year.

4.0 Financial Implications

- 4.1 As set out in the report.

5.0 Corporate Implications

- 5.1 None directly.

6.0 Community Implications

6.1 None directly.

7.0 Background Papers

7.1 Statement of Recommended Accounting Practice 2005/06

7.2 Accounts and Audit Regulations 2003

