
REPORT TO:	ETWALL LEISURE CENTRE JOINT MANAGEMENT COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	16 th JULY 2012	CATEGORY: RECOMMENDED
REPORT FROM:	TREASURER TO THE JOINT MANAGEMENT COMMITTEE	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) Kevin.stackhouse@south-derbys.gov.uk	
SUBJECT:	STATEMENT OF ACCOUNTS 2011/12	REF: u/ks/Etwall JMC/final accountsreport1112
WARD (S) AFFECTED:	ETWALL, HATTON, HILTON, NORTH WEST, REPTON & WILLINGTON	

1.0 Recommendations

- 1.1 That the Statement of Accounts (subject to Audit) for 2011/2012 be considered and approved for signing by the Treasurer to the Joint Management Committee (JMC).
- 1.2 That the Committee authorises the Chairman and the Secretary to the Committee to sign the Annual Governance Statement for 2011/12.

2.0 Purpose of Report

- 2.1 To report the Leisure Centre's final accounts for 2011/12, including the formal financial and governance statements presented for Audit. This is in accordance with Local Government Accounts and Audit Regulations

3.0 Executive Summary and Overall Commentary

- 3.1 2011/12 was the first year under the contract arrangements with Active Nation.
- 3.2 The Leisure Centre's final out-turn for 2011/12 is detailed in **Appendix 1**. This shows that there was a small overall decrease of £4,664 on a budgeted net expenditure of approximately £264,000.
- 3.3 There were some residual costs and income charged in 2011/12 following the transfer on 1st April 2011 in relation to employee and maintenance costs, although these were fairly minor.
- 3.4 The main cost for the Leisure Centre is now the annual payment to Active Nation in accordance with the Contract; this is largely fixed.

- 3.5 The Committee is still responsible for equipment, insurance and maintenance costs to the fabric and structure of the Leisure Centre, together with energy costs where they are over and above that agreed in the Contract.
- 3.6 Given that 2011/12 was the initial year, overall running costs were about on budget which is considered to be good performance. With an additional contribution being made by the County Council, the net expenditure of the Facility was lower with a consequent reduction in contributions required from the Council and the School compared to that estimated. A summary is shown below.

Etwall Leisure Centre - Summary 2011/12	Budget	Actual	Variance
	£	£	£
Summary			
Total Expenditure	264,436	261,280	-3,156
Total Income (including County)	-40,214	-69,970	-29,756
Net Expenditure	224,222	191,310	-32,912
Financed By:			
South Derbyshire District Council	139,018	119,360	-19,657
John Port School	85,204	71,950	-13,254

Statement of Accounts

- 3.7 The draft Statement of Accounts is detailed in an attachment to this report (**Appendix 2**). The Audit Commission will now audit the financial statements and the detailed accounts. Their opinion and any issues arising from the audit will be reported in October 2012.
- 3.8 The accounts and disclosures have been prepared in accordance with financial regulations and conform to proper accounting practice for local authorities in the U.K.

Annual Governance Statement (AGS)

- 3.9 The AGS acts as a public assurance statement that the Committee has adopted a sound system of internal control, in particular relating to the maintenance of the accounts and financial procedures.
- 3.10 The AGS is the formal statement that recognises and publishes an organisation's arrangements for doing this; it is a statutory requirement.
- 3.11 The AGS has to be formally published alongside the Committee's accounts. It has to be signed by the Chairman and Secretary to the Committee (i.e. the District Council's Chief Executive Officer) after it has been considered and recommended for approval by the JMC.
- 3.12 The Committee has to evidence that it can meet the requirements set out in the AGS before it is published. The draft AGS for the Committee is attached at **Appendix 3**.

3.13 The Committee's accounts and financial transactions are administered through the District Council, utilising its systems and procedures. This includes internal audit, day to day financial management and many other internal control procedures.

3.14 The draft AGS in the appendix reflects this.