



## CABINET REPORT

<b>Report Title</b>	<b>2008/09 Statement of Accounts</b>
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**AGENDA STATUS: PUBLIC**

<b>Cabinet Meeting Date:</b>	29 June 2009
<b>Key Decision:</b>	YES
<b>Listed on Forward Plan:</b>	YES
<b>Within Policy:</b>	YES
<b>Policy Document:</b>	NO
<b>Directorate:</b>	Finance & Support
<b>Accountable Cabinet Member:</b>	Councillor David Perkins
<b>Ward(s)</b>	N/a

### 1. Purpose

- 1.1 To present the 2008/09 Statement of Accounts to Cabinet.
- 1.2 To update the Cabinet on any observations from the Audit Committee

### 2. Recommendations

- 2.1 That Cabinet review the 2008/09 statement of accounts and indicate whether there are any concerns arising that need to be brought to the attention of the Council.
- 2.2 That Cabinet consider any observations from Audit Committee.
- 2.3 That the revised general fund balance be noted.
- 2.4 That Cabinet recommend to Council that the Director of Finance and Support, in consultation with the Portfolio holder for Finance, be authorised to make any non-material adjustments to the accounts prior to external audit.
- 2.5 That subject to any comments arising at 2.1 and 2.2 above that Council be recommended to adopt the 2008/09 statement of accounts.

### **3. Issues and Choices**

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#### **3.1 Report Background**

- 3.1.1 The Accounts and Audit Regulations 2003 require the Council to formally approve the Statement of Accounts by 30<sup>th</sup> June.
- 3.1.2 The detailed format of the statement of accounts follows guidance issued by CIPFA/LASSAC. The format of the statement can change from year to year to reflect new requirements or changes in best practice.
- 3.1.3 The attached statement of accounts at Annex A will be presented to the external auditor on 30<sup>th</sup> June 2009 and will thereafter be available to the general public through the statutory deposit period. During this time members of the public may view documents and ask questions.
- 3.1.4 Any material changes arising from the audit of the 2008/09 accounts will be reported back to the Audit Committee in September.

#### **3.2 Issues**

##### **General Fund**

- 3.1.1 The General Fund working balances total £2.0m as identified within the Statement of Accounts at Annex A (page 29). The Council also holds General Fund earmarked reserves of £8.2m to mitigate specific business risks as identified within the Statement of Accounts at Annex A (page 66 Note 35 e). Taking the Council's financial position into account and the inherent risks in the 2008/09 budget along with potential risks relating to single status, the minimum prudent level of working balance should be £2.0m. This will be reviewed during 2009/10.

##### **Housing Revenue Account (HRA)**

- 3.1.2 The outturn position for the HRA shows an accumulated in year surplus of £492k giving a level of working balances of £6.1m as identified within the Statement of Accounts at Annex A (page 81). The Council also holds an HRA earmarked reserve of £8.2m to finance future capital expenditure and the potential PFI set-up costs of £175k as identified within the Statement of Accounts at Annex A (page 66 Note 35 e).

##### **The Collection Fund**

- 3.1.3 The collection fund had an in year surplus of £143k resulting in an overall fund deficit of £803k. It was estimated in January 2009 that the deficit would be £553k and this was apportioned between precepting authorities and the proportion relating to this council (£86k) was included when setting the budgets for 2009/10. The balance will be carried forward into the 2009/10 collection fund and will form part of the calculation of surpluses and deficits for setting the 2010/11 budget.

### **3.3 Choices (Options)**

- 3.3.1 Cabinet is invited to review the 2008/09 statement of accounts and indicate whether there are any concerns arising that need to be brought to the attention of Council.
- 3.3.2 Cabinet is invited to consider any observations from the Audit Committee
- 3.3.3 Cabinet is asked to note the revised general fund balance.
- 3.3.4 Cabinet is requested to recommend to Council that the Director of Finance and Support, in consultation with the Portfolio holder for Finance, be authorised to make any non-material adjustments to the accounts prior to external audit.
- 3.3.5 The Cabinet is asked, subject to any comments arising at 3.3.1 above, to recommend that Council adopt the 2008/09 statement of accounts.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

- 4.1.1 The statement of accounts summaries the Council's Financial Position as at 31<sup>st</sup> March 2009.

### **4.2 Resources and Risk**

- 4.2.1 The Council's General fund working balance as at 31<sup>st</sup> March 2008 was £2.0m. Balances which have been earmarked for use are £8.2m.
- 4.2.2 There are Comprehensive Performance Assessment implications on the timing of the approval of the statement of accounts and the annual governance statement.

### **4.3 Legal**

- 4.3.1 The statement of accounts is a statutory document which needs to be approved by the Council by 30<sup>th</sup> June 2009 in respect of the 2008/09 financial year.

### **4.4 Equality**

- 4.4.1 None

### **4.5 Consultees (Internal and External)**

- 4.5.1 Internal – Management Board, Heads of Service, and Internal Audit.
- 4.5.2 External – The attached statement of accounts at annex A will be presented to the external auditor on 30<sup>th</sup> June 2009 and will thereafter be available to the general public through the statutory deposit period. During this time members of the public may view documents and ask questions.

## **4.6 How the Proposals deliver Priority Outcomes**

4.6.1 N/a.

## **4.7 Other Implications**

4.7.1 None

## **5. Background Papers**

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5.1 Statement of accounts working papers

5.2 Audit Committee Paper and Minutes

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