

**15 SEPTEMBER 1999****STATEMENT OF ACCOUNTS 1998/99**

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**1. Purpose**

1.1 To seek formal approval to the Statement of Accounts for 1998/99

1.2 To advise the Committee on the differences between the Statement of Accounts now presented for external audit and the provisional figures reported to the meeting of this Committee on 13 July 1999.

**2. Summary**

2.1 The Statement of Accounts has been submitted to the external auditor and has been circulated separately to all Members. The Committee is required to formally approve the document.

2.2 The Council's General Fund balances at 31 March 1999 are £58,000 lower than the figure reported to this Committee in July 1999. This results from two factors. Firstly, the General Fund share of DSO surpluses, at £101,000, is £26,000 more than previously reported. Secondly, a technical adjustment has been necessary in relation to internal accruals. As a result expenditure of £84,000 has been removed from 1999/2000 and put back into 1998/99. In order to restore the balances to the position previously assumed during 1999/2000, a technical virement has been made to reduce expenditure budgets and reduce the budgeted use of reserves.

**3. Recommendations**

3.1 The Committee is recommended to:

(a) formally approve the Statement of Accounts for 1998/99; and

(b) note the technical adjustment required which reduces the General Fund Balances at 31 March 1999 but restores them during 1999/2000.

4. **Background**

- 4.1 The Accounts and Audit Regulations 1996 require the Council to formally approve the Statement of Accounts by 30 September in the year following the year of account. This task is delegated to this Committee
- 4.2 The Statement of Accounts has been presented to the External Auditor and has been through the statutory deposit period during which time members of the electorate may view documents and ask questions. The Statement has been previously circulated to all Members.
- 4.3 If there are any material changes arising from the audit then the issues will need to be reported back to a future meeting of this Committee.
- 4.4 The provisional outturn position in relation to General Fund services was reported to this Committee on 13 July 1999.

5. **Issues and Choices**

- 5.1 The level of General Fund balances at 31 March 1999 shown in the Statement of Accounts is £58,000 lower than that reported in July and the reasons for this are set out below.
- 5.2 The contribution to the General Fund from the DSO as a result of the surplus share scheme was £26,000 more than projected in July.
- 5.3 Income in relation to work done by the Highways DSO in 1998/99 was accrued in the DSO accounts but a corresponding entry was not made in the Highways accounts within the Environment Committee. Such internal accruals must be matched and eliminated when consolidating the accounts for the authority as a whole. An adjustment has therefore been made which has the effect of increasing Highways expenditure in 1998/99 thereby reducing balances below that projected in July. Correspondingly, however, the charge to Highways has been removed from the 1999/2000 accounts with a similar reduction to the budget. These entries will restore balances to their reported levels at 31 March 2000.

6. **Implications**

- 6.1 Environmental  
None.
- 6.2 Equalities  
None.
- 6.3 Financial and Legal

The Statement of Accounts is a statutory document which needs to be approved by the Council, as delegated to this Committee, by 30 September in the year following the year of account.

6.4 Staff and Accommodation

None.

7. **Conclusions**

7.1 The Accounts for 1998/99 have been completed to the statutory deadlines and have been presented for external audit.

7.2 Although it has been necessary to make technical adjustments which reduce the level of balances at 31 March 1999, action has been taken to restore them during this year.

Background Papers: None