

**FINAL ACCOUNTS 2008/09
(Report by the Head of Financial Services)**

1. INTRODUCTION

- 1.1 The Council's Statement of Accounts needs to be approved by the Panel prior to the auditors commencing the audit.
- 1.2 Much of the content of the Council's Final Accounts is set by a statutory Code of Practice. As a result, they are not easy for the lay reader to understand but the inclusion of notes to various accounts helps explain the key aspects.
- 1.3 Their prime purpose is to form the official record of what has happened in the last year and, when audited, they will demonstrate that a proper level of financial stewardship has been achieved on behalf of local residents. The Annual Governance Statement, which will also form part of the booklet when it is published after audit, will be considered separately at the Panel's September meeting.
- 1.4 If the Council's auditors, Grant Thornton UK LLP, identify any significant concerns during the course of the audit then these will also be considered by the Panel in September.
- 1.5 In previous years the final accounts of the leisure centres have been approved by their individual Management Committees as they were officially separate authorities. Now that these separate bodies, and hence their Committees, have been dissolved there is a need for last year's Leisure Centre accounts to be approved by the Corporate Governance Panel prior to audit. In future years these transactions will be fully integrated into the Council's normal accounts. There are full accounts for the Huntingdon, St Ivo and St Neots Leisure Centre and one page statements for the Ramsey and Sawtry Leisure Centres.

2 LAST YEAR'S AUDIT

- 2.1 When last year's accounts were approved for publication in September 2008 the external auditor highlighted a number of points that were technically significant although they did not alter "the bottom line". This year discussion is taking place with external audit in advance of the June meeting in order to try and avoid such issues.
- 2.2 The auditor also raised two other issues :
 - A proposal that all journal entries should be independently checked
 - A concern that not all Members and Senior Managers had provided a declaration of interests form.

- 2.3 As previously, your officers rejected the need for general independent checking of journals because they are only completed by accountancy staff who are experienced and knowledgeable. However, having considered the risks involved, a review of the significant items that have a direct impact on the net revenue expenditure figures in the accounts has been undertaken.
- 2.4 Last year the declaration of interests were not requested sufficiently early. They have been requested earlier this year and it is hoped that as a result no problems will emerge.

3. USE OF RESOURCES

- 3.1 The previous Use of Resources expected robust discussion of the final accounts by the Panel. Whilst this no longer appears in the new assessment (Annex A) it is obviously good practice for the Panel to adequately understand the accounts in order to approve them. It is therefore intended to provide an introduction to the key elements and issues contained in the accounts when introducing them to the Panel. This should enable a more effective discussion.
- 3.2 Panel members are also encouraged to identify, in advance, any areas on which they require explanation or clarification to ensure that fuller explanations can be given at the meeting thus leading to improved discussion. Please notify Steve Couper of any such areas in advance of the meeting.
- 3.3 As usual, the timetable for preparing the Council's Statement of Accounts is tight and they will be circulated shortly after you receive your agenda.

4 RECOMMENDATIONS

- 4.1 It is recommended that the Panel approve the:
- Council's draft Statement of Accounts (Annex B)
 - Leisure Centre Committees' Accounts (Annex C)

ACCESS TO INFORMATION ACT 1985

Final Accounts and Working Papers held in the Accountancy Section

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ANNEX A

Use of Resources

	Score of 2	Score of 3
<p>1.3.3 prepares accounts that meet statutory requirements, financial reporting standards and present fairly</p>	<p>Accounts comply with statutory requirements, timetables and standards.</p> <p>Approved by those charged with governance by 30 June and published, with audit opinion, by 30 September.</p> <p>Present fairly and contain non-trivial but not material errors.</p> <p>Good working papers, including analytical review, and rapid responses to audit requests.</p>	<p>Overall quality of approved accounts is good and supported by thorough documentation and analysis.</p> <p>Auditor considers errors to be clearly trivial and issues to be reported to those charged with governance not to be significant.</p> <p>Strong corporate commitment and culture to producing good quality accounts and supporting documentation. Early and efficient approval and publishing. Proactive dealing with issues, new standards and obtaining information from third parties.</p>