

## WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE  
25<sup>TH</sup> JUNE, 2007

CABINET  
28<sup>TH</sup> JUNE, 2007

### Report On Final Accounts 2006/2007

<b>COMMUNITY STRATEGY THEME</b>	<b>Internal Organisational Theme</b>
<b>CORPORATE THEME:</b>	<b>Improving Corporacy &amp; Performance</b>
<b>KEY PRIORITY:</b>	<b>Financial and Asset Management</b>
<b>STRATEGY:</b>	<b>Final Accounts</b>
<b>CABINET MEMBER:</b>	<b>Cllr. John Campion</b>
<b>RESPONSIBLE OFFICER:</b>	<b>Head of Financial Services</b>
<b>CONTACT OFFICER:</b>	<b>Keith Bannister Ext. 2100</b>
<b>APPENDIX 1</b>	<b>Statement on Internal Control</b>
<b>APPENDIX 2</b>	<b>Explanation Paper on Statement of Accounts</b>
<b>APPENDIX 3</b>	<b>Appendix setting out an Explanation of Major Variations on Revised 2006/2007 Budgets</b>
<b>APPENDIX 4</b>	<b>Annual Efficiency Statement (Backward Look)</b>
<b>AN OPEN ITEM</b>	

#### **1. PURPOSE OF REPORT**

- 1.1 To approve a pre-audit copy of the Council's Statement of Accounts for the financial year 2006/2007, Statement on Internal Control and Annual Efficiency Statement (Backward Look).

#### **2. RECOMMENDATION**

The Cabinet is asked to **DECIDE** that :-

- 2.1 The Pre-Audit Statement of Accounts, 2006/2007, be approved.
- 2.2 The Statement on Internal Control be approved;
- 2.3 The Annual Efficiency Statement 2006/2007 (Backward Look) be approved for submission to Communities and Local Government Office.
- 2.4 Note that the additional reserves of £492,790 generated from the 2006/2007 surplus will be reconsidered in accordance with the Council's Finance Strategy, as part of the 2008/2011 Budget Process.

### **3. BACKGROUND**

- 3.1 The Accounts and Audit Regulations 2003, as amended by the Accounts & Audit (Amendment) (Regulations) 2006, which have been incorporated into the Council's Financial Regulations, require that the Council's Statement of Accounts be produced and approved before 30<sup>th</sup> June, 2007. A copy of the Statement for the financial year 2006/2007 has been made available on the Council's Intranet for Members perusal.
- 3.2 The Statement on Internal Control is contained within the Statement of Accounts. In accordance with 'Use of Resources' the Cabinet are requested to consider the contents independently from the Statement
- 3.3 The Statement is subject to audit as the Council's external auditor, KPMG, has until 30<sup>th</sup> September, 2007 to complete the audit; after which the Statement is to be published.
- 3.4 Should it be necessary for KPMG to agree minor technical changes with the Head of Financial Services while the accounts are subject to audit, these will be made under delegated powers and the Statement will then be published. All Members of the Council will be provided with a published copy of the Statement.
- 3.5 Members may wish to note that the Council's Accounts will be made available for public inspection as required by the Accounts and Audit Regulations 2003 and the 2006 Amendment, between 16<sup>th</sup> July 2007 and 10<sup>th</sup> August 2007. KPMG will be available on the 15<sup>th</sup> August 2007, at the Financial Services Division, Duke House, if any local government elector for the area has any questions on the accounts that they wish to raise with them.
- 3.6 The closure of the accounts thus identified a saving of £492,790 (subject to audit) compared to the revised budget, reducing the budgeted contribution from reserves.
- 3.7 Appendix 1 summarises our Statement on Internal Control.
- 3.8 Appendix 2 gives a brief explanation of the key components of the Statement of Accounts.
- 3.9 Appendix 3 summarises major variations from the Revised Budget for Members information.
- 3.10 Appendix 4 summarises the Council's Annual Efficiency Statement 2006/2007 (Backward Look) which identifies 'Efficiency Savings' identified in the Final Accounts in accordance with guidelines from the Communities and Local Government Office.

### **4. KEY ISSUES**

None.

**5. FINANCIAL IMPLICATIONS**

The saving of £492,790, compared to the revised budget, will be reconsidered in accordance with the Council's Finance Strategy, as part of the 2008/2011 Budget Process.

**6. LEGAL AND POLICY IMPLICATIONS**

None.

**7. RISK MANAGEMENT**

7.1 The principle risk to the Council is non-achievement of the Accounts and Audit Regulations 2003/2006 deadline, in respect of production and approval of the Statement of Accounts before 30th June 2007, and qualification of the Accounts by the Council's External Auditors.

**8. CONCLUSION**

8.1 In order to comply with the Accounts and Audit Regulations, the Council is required to consider and approve the Council's Statement of Accounts before 30<sup>th</sup> June 2007.

**9. CONSULTEES**

9.1 CMT.

**10. BACKGROUND PAPERS**

10.1 Accounts and Audit Regulations 2003 and 2006 Amendments.