

## WYRE FOREST DISTRICT COUNCIL CHANGES TO THE STATEMENT OF ACCOUNTS 2007/08

### 1. INTRODUCTORY PARAGRAPHS

Some additional explanations have been added to the Finance Strategy in order to inform the reader of the levels of Council Tax, Reserves and Balances. A 'forward looking' Statement by the Head of Financial Services has also been added.

### 2. ANNUAL GOVERNANCE STATEMENT

Further information was required in relation to the draft approved by Audit Committee was required in relation to the Governance Framework which was in place before the adoption of the CIPFA/SOLACE framework on 17 March 2008.

### 3. DEFERRED CHARGES

Following changes to the SORP, capital expenditure totalling £533k has been added to the Asset Register. This expenditure would have previously been written off to the Fixed Asset Restatement Account as not 'adding value' to the asset base, however, this option has now been removed. The resulting adjustments affected the Income and Expenditure Account (although the 'bottom line' impact was neutral) and the Balance Sheet (increase to Fixed Assets)

### 4. FRS17

Audit Commission did not accept the methodology adopted by KPMG in respect of past service pension costs. Therefore the Balance Sheet has been amended by £326k to align the Pension Fund Reserve & Liability to the Actuary's figures.

### 5. INVESTMENTS

Investments that were due to mature in excess of 364 days have been classified as Long Term Investments (taken from Temporary Investments).

### 6. ACCRUED INTEREST

Accrued interest on investments that mature in excess of 364 days have been reclassified as Long Term Debtors.

### 7. RECEIPTS IN ADVANCE

In March each year the Trade Waste & Property Charges are raised in advance. Previously, these have been treated as receipts in advance in accordance with the way that the Financial Management System posts the income to the nominal codes. However, Audit Commission stipulated that only those invoices that have been paid by 31<sup>st</sup> March may be treated as receipt in advance. Therefore a reduction of £331k has been made with a matching reduction in debtors