

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**MEETING ON 28<sup>th</sup> JULY, 2005**

**Report on Statement of Accounts 2004/2005**

<b>COMMUNITY STRATEGY THEME</b>	Internal Organisational Theme
<b>CORPORATE THEME:</b>	Improving Corporacy & Performance
<b>KEY PRIORITY:</b>	Financial and Asset Management
<b>STRATEGY:</b>	Final Accounts
<b>CABINET MEMBER:</b>	Cllr. John Campion
<b>RESPONSIBLE OFFICER:</b>	Head of Financial Services
<b>CONTACT OFFICER:</b>	Jane Kitchen, Ext. 2101
<b>APPENDICES:</b>	Appendix setting out an Explanation of Major Variations on Revised 2004/2005 Budgets
<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 2004/2005.

**2. RECOMMENDATION**

The Cabinet is asked to **RECOMMEND** to Council :-

- 2.1 that the Pre-Audit Statement of Accounts, 2004/2005, be approved.
- 2.2 that the additional reserves of £596,000 generated from the 2004/2005 surplus be reconsidered in accordance with the council's Finance Strategy, as part of the 2006/2009 Budget Process.

**3. BACKGROUND**

- 3.1 The Accounts and Audit Regulations 2003, which have been incorporated into the Council's Financial Regulations, require that the Council's Statement of Accounts be produced and approved before 31<sup>st</sup> July, 2005. A copy of the Statement for the financial year 2004/2005 has been made available in each Group Room for Members information.
- 3.2 The Statement is subject to audit as the Council's external auditor, KPMG, has until 31<sup>st</sup> October, 2005, to complete the audit; after which the Statement must be published.

**3. BACKGROUND (continued)**

- 3.3 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.
- 3.4 Members may wish to note that the Council's Accounts have also been made available for public inspection as required by the Account and Audit Regulations 2003, between 5<sup>th</sup> August 2005 and 26<sup>th</sup> August 2005, then 30<sup>th</sup> August 2005 to 2<sup>nd</sup> September 2005. KPMG are available on 5<sup>th</sup> September, 2005, 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.
- 3.5 The closure of the accounts identified as surplus (subject to audit) over and above the revised budget of £596,000.
- 3.6 Appendix 1 summarises major variations from the Revised Budget for Members information.

**4. KEY ISSUES**

None.

**5. FINANCIAL IMPLICATIONS**

The surplus of £596,000, over and above the revised budget, will be reconsidered in accordance with the Council's Finance Strategy, as part of the 2006/2009 Budget Process.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The Accounts and Audit Regulations 2003 have amended the dates by which the Cabinet must approve by resolution the Statement of Accounts as follows :-

<u>Year of Accounts</u>	<u>Latest Approval Date</u>
2004/2005	31 <sup>st</sup> July, 2005
2005/2006 onwards	30 <sup>th</sup> June, 2006

- 6.2 The dates for the completion of Audit and Publication have also been brought forward to be a maximum of three months following the Approval dates in paragraph 6.1 above.

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8. **RISK MANAGEMENT**

The principle risk to the Council is non-achievement of the Accounts and Audit Regulations 2003 deadline, in respect of production and approval of Statement of Accounts before 31<sup>st</sup> July 2005.

9. **CONCLUSION**

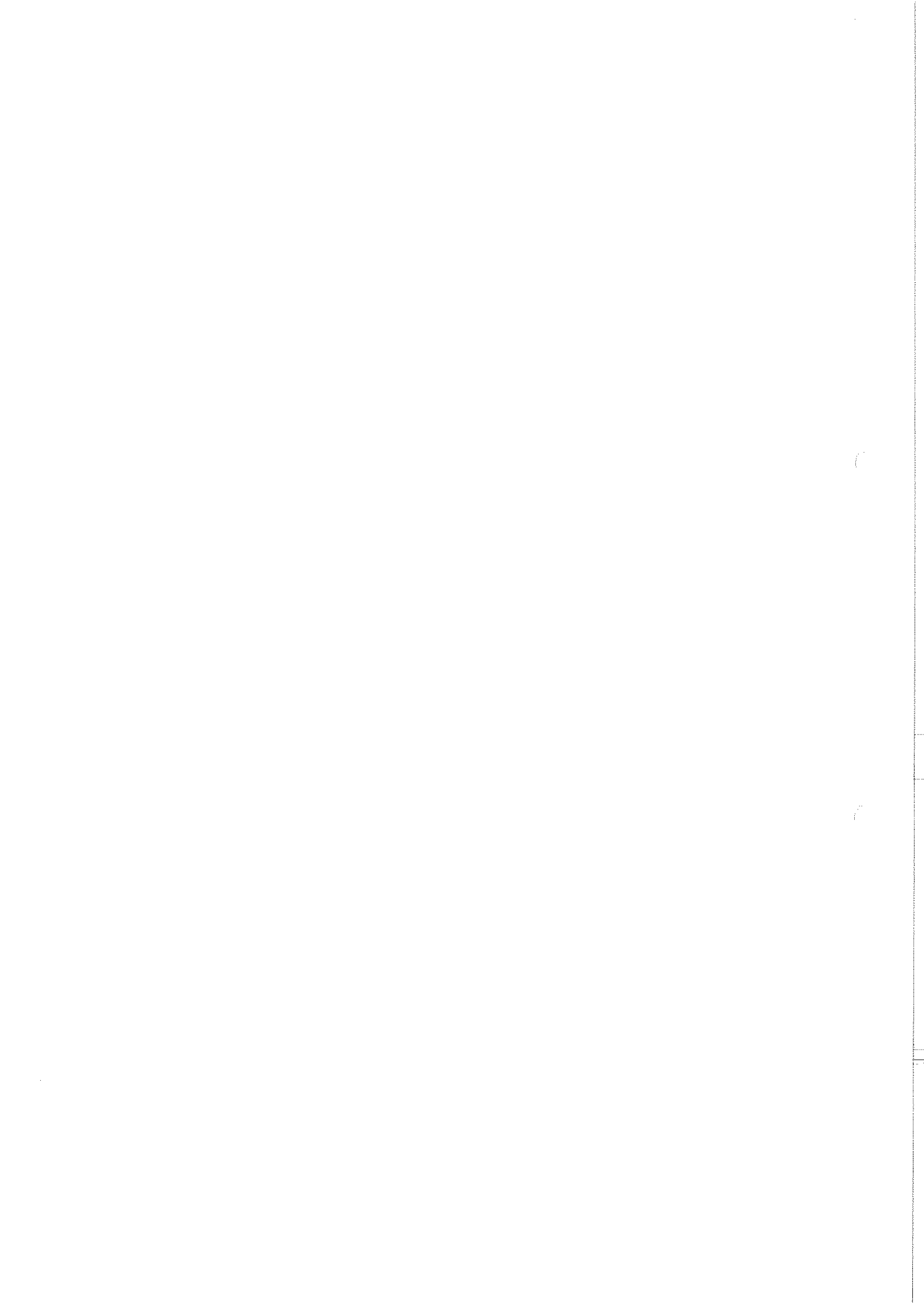
In order to comply with the Accounts and Audit Regulations 2003, the Council is required to produce and approve the Council's Statement of Accounts before 31<sup>st</sup> July 2005.

10. **CONSULTEES**

CMT.

11. **BACKGROUND PAPERS**

Accounts and Audit Regulations 2003



**EXPLANATION OF MAJOR VARIATIONS ON REVISED 2004/2005 BUDGET**

REVISED BUDGET 2004/05  
DRAFT ACTUAL  
OVERALL SAVING

£  
11,887,000  
11,291,000  
596,000

DESCRIPTION OF MAJOR VARIATIONS	Extra Costs / Reduced Income £	Savings / Extra Income £
<b>INCOME</b>		
<b>Cultural, Leisure and Commercial Services</b>		
Car Parking (mainly Car Parking Charges)		-119,000
Town Hall, Kidderminster (mainly Court Income)		-24,000
<b>Financial Services</b>		
Benefits - Additional Government Subsidy		-141,000
Benefits - Additional Government Grant		-40,000
<b>Legal and Democratic Services</b>		
Land Charge Fees Shortfall	48,000	
<b>Planning, Health and Environment</b>		
Development Control Fees		-49,000
<b>GENERAL SERVICES</b>		
<b>Cultural, Leisure and Commercial Services</b>		
Collection of Domestic Waste	21,000	
Kerbside Recycling	20,000	
Recycling Activities		-10,000
General Cleansing	12,000	
Repairs and Maintenance of Buildings		-27,000
Repairs and Maintenance of Grounds (mainly costs of Single Status)	52,000	
Car Parking (includes refund of water charges of £26,000)		-46,000
Wyre Forest Glades (Contingency Not Required)		-39,000
VAT Partial Exemption (Contingency Not Required)		-35,000
Duke House ( Premises Costs )		-13,000
Arts Development - Equipment		-13,000
<b>Human Resources</b>		
Other Member Allowances		-10,000
Occupational Health (New Contractual Arrangement)		-8,000
<b>Legal and Democratic Services</b>		
Election Expenses		-5,000
<b>Planning, Health and Environment</b>		
Homelessness (Additional Costs of Bed & Breakfast Accommodation)	27,000	
<b>Strategy and Performance Unit</b>		
Design/Print Unit - Equipment		-10,000
<b>Capital Account</b>		
Additional Interest on Investments		-132,000
<b>Net Movement in Reserves</b>		
(Includes release of reserves for Duke House, KTC1 and Concessionary Travel)		-55,000
	<b>180,000</b>	<b>-776,000</b>
<b>OVERALL SAVING ON REVISED 2004/2005 BUDGET</b>		<b>-596,000</b>

Note 1. The 2003/2004 saving on Revised Budget was £685,000.

Note 2. The Finance Strategy aims to achieve a target saving of 1% of Gross Expenditure (£400,000).

