

REPORT TO	DATE OF MEETING
GOVERNANCE COMMITTEE	28 SEPTEMBER 2011

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
AUDITED STATEMENT OF ACCOUNTS 2010/11	Finance and Resources	Susan Guinness	11

SUMMARY AND LINK TO CORPORATE PRIORITIES

The External Auditor has completed the audit of the Council's Statement of Accounts for 2010/11 and has issued an unqualified audit opinion on those accounts. To comply with the relevant legislation, Committee is required to approve the audited Statement of Accounts by 30th September 2011.

RECOMMENDATIONS

That the Committee:

1. note the contents of the Auditor's Annual Governance Report; and
2. consider and approve the Statement of Accounts for 2010/11;
3. authorise the Chief Executive to sign the letter of Management Representation as set out in the Auditor's Annual Governance Report

DETAILS AND REASONING

A summary of the Financial Statements was presented to Committee on 28 June 2011. Members are now presented with the full audited Statement of Accounts and the auditor's Annual Governance Report.

AUDIT FINDINGS

The key messages are that the auditor has issued an unqualified opinion and, in relation to VFM, she has indicated her confidence that the Council is on track to achieve its targeted efficiency savings.

With regard to internal control she identified that more checking of possible dealings between members and the Council was required to confirm the accuracy of the related party note. The further checks will be built into the closure programme for future years.

The following minor issues, none of which affect the overall financial position of the Council were identified, leading to adjustments in the Statements now presented.

- Both debtors and creditors have been adjusted by £19,523 (the result of small debtor balances arising on creditor accounts)
- The original Balance Sheet showed a net cash and cash equivalent figure. The bank overdraft is now shown separately. (Note the overdrawn bank balance is that appearing in the Council's ledgers. In the bank's records the Council has a balance in hand, the difference being cheque payments which had not cleared the bank. The treasury activities of the Council always seek to avoid any overdraft at the bank).

- The Contingent Liabilities note has been amended to include reference to an ongoing claim in respect of search fees.
- New Progress Housing is a related party by virtue of the Council's representation on the Board. Dealings with it have now been disclosed.
- The note on impaired bank balances incorrectly included payments received in April.

Committee is now asked to approved the revised accounts, and authorise the signing of the letter of representation.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

FINANCIAL	There are no implications resulting directly from this report.		
LEGAL	This report is presented to comply with the Accounts & Audit Regulations 2003.		
RISK	There are no implications resulting directly from this report.		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

- The Local Government and Housing Act 1989, Section 56(5)
- South Ribble Borough Council (unaudited) Statement of Accounts 2010/11 – Governance Committee, 28th June 2011

APPENDICES

Appendix A Statement of Accounts for South Ribble Borough Council for year ended 31 March 2011. (For Approval)