

**Audit Committee – 20<sup>th</sup> September 2007**

**Report of the Director of Finance**

**Amendments to Statement of Accounts 2006/07**

**Purpose of Report**

1. To inform the committee of amendments made to the Statement of Accounts since the initial presentation to the June meeting.

**Background**

2. With the deadline of June for submission of accounts it is not possible to complete the audit before the accounts have to be agreed by the Committee and signed by the Director of Finance. As a result of the audit process, and reviews by officers, a number of minor changes have been made to the accounts. These do not change the outturn or the financial standing of the authority.

**Main Amendments**

3. Our auditors have recommended that the ordering of the balance sheet be changed, moving the “Grants Deferred Account” and the “Premiums and Discounts on repayment of Debt” to the upper section. This simplifies the reconciliation of the Statement of Movement on the General Fund Balance to the movement of net worth on the balance sheet. It does not change the actual financial position of the authority.
4. A technical change in the treatment of grants for some capital expenditure has led to changes in entries in notes 1, 31, and 32. There is no change to any figures in the main statements of account.
5. Some capital projects have been reclassified because, in re-examination, it has been determined that not all the resultant assets belong to the authority. This has led to a reduction in the value of infrastructure shown on the balance sheet of some £1.5m, or 1%.

**Additional Disclosures**

6. Additional information has been provided as follows:
  - Premiums and discounts relating to early repayment of debt (separate figures given)
  - Further wording on the accounting treatment of the equal pay back pay provision which was not capitalised,

## **Finance**

7. This report is entirely financial in content, but does not give rise to any direct costs.

## **Law**

8. Legislation appertaining to Local Authority Audit and Accounts is contained in the Local Government Act 1972, part 2 of the Audit Commission Act, 1998, and regulations made thereunder.

## **Equality Impact**

9. The proposal takes account of the Council's policy in relation to equal opportunities.
10. With regard to children and young people:
  - There is no direct effect of the proposals on children and young people.
  - There has been no specific consultation with children and young people.
  - There has been no direct involvement of children and young people in developing the proposals.

## **Recommendation**

11. It is recommended that:-
  - the Committee notes and approves the changes to the Statement of Accounts
  - the Chairman of the Committee signs and dates the Statement of accounts to give evidence of the approval above.



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**Mike Williams**  
**Director of Finance**

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## **List of Background Papers**

Report on Statement of Accounts at June Audit Committee meeting