



**WARDS AFFECTED:**

ALL WARDS (CORPORATE ISSUE)

**FINANCE, RESOURCES & EQUAL OPPORTUNITIES  
SCRUTINY COMMITTEE  
CABINET (final consideration)**

**12<sup>th</sup> SEPTEMBER 2000  
18<sup>th</sup> SEPTEMBER 2000**

---

**STATUTORY STATEMENT OF ACCOUNTS 1999/2000**

---

**Report of the Chief Financial Officer**

**SUPPORTING INFORMATION**

**1. Introduction**

The Statement of Accounts for 1999/2000 is now complete and due to be made available for public inspection from 20th September 2000, and audit from 11th October 2000.

The Audit and Accounts Regulations require the Council to approve the accounts formally prior to Audit and subsequently to approve any changes following the Audit.

Attached to this report are the full accounts for 1999/2000.

**2. Recommendations**

2.1 The scrutiny committee is asked to consider the Council's Statement of Accounts for 1999/00, and make any comments it wishes to the cabinet.

2.2 The Cabinet is asked to approve the accounts.

**3. Financial and Legal Implications**

This report and its attachments set out the financial position of the Council in accordance with statutory requirements.

## **4. The 1999/2000 Accounts**

### **4.1 General Points**

The Finance sub-committee received reports on the 1999/00 outturn for the General Fund, Housing Revenue Account and for the DSOs at its meeting on 15<sup>th</sup> August 2000. The Statutory Statement of Accounts consolidates these in a somewhat different format to show the Council's overall financial position and includes the Collection Fund Accounts.

### **4.2 Consolidated Balance Sheet**

The Consolidated Balance Sheet shows the net value of the organisation. This is subdivided into the following components that make up this value:

#### **4.2.1 Net Fixed Assets**

This primarily relates to the land and buildings owned by the Council, including Council Housing. The figure of £884 million is derived from a variety of valuations intended to reflect the assets' worth to the Council, not necessarily what they could be sold for.

#### **4.2.2 Deferred Charges**

These represent expenditure on items which do not result in fixed assets, but which the Council can legally borrow money for. Examples are stock issue discounts and deferred premiums on loans repaid prematurely.

#### **4.2.3 Long Term Debtors**

These are sums repayable to the Council in respect of loans made. This includes council mortgages.

#### **4.2.4 Current Assets**

These include cash and other items which are likely or able to be converted into cash fairly promptly (normally within one year). For example, debtors are generally in respect of services provided, and should be paid promptly. Short term investments are made to maximise the interest earned by the Authority on temporary cash balances whilst retaining flexibility to meet day to day spending requirements.

#### **4.2.5 Current Liabilities**

Similarly, these items are repayable within one year.

#### **4.2.6 Long Term Borrowing**

The majority of loans taken out by the Council to meet capital spending are repayable over periods in excess of 10 years.

#### **4.2.7 Fixed Asset Restatement Reserve and Capital Financing Reserve**

These are technical “reserves” the Council is required to maintain which cannot be spent. In effect, they represent (between them) the values of Council Assets which are free of debt, and are (in some ways) similar to the shareholders’ funds shown on the balance sheet of a company.

#### **4.2.8 Earmarked Reserves**

These are reserves held for specific purposes. The most significant were reported to the Finance and ICT sub-committee in August 2000.

#### **4.2.9 Balances**

These represent reserves held in accordance with statutory definitions, including the general fund reserve. As reported to Finance Sub-committee in August, £2.4m of the uncommitted general fund balance has been used to support the 2000/2001 budget.

### **4.3 Consolidated Revenue Account**

The Consolidated Revenue Account brings together the transactions for the year for the General Fund, DSO’s and the Housing Revenue Account. Those items ultimately met from outside the General Fund are cancelled out so that the ‘bottom line’ figure shows just the General Fund net deficit and balance carried forward. The presentation follows statutory requirements and differs from the Council’s internal budgeting arrangements.

## **5. Subsequent Changes**

Any changes arising from the Audit of the Accounts will be reported back to the cabinet at the conclusion of the audit.

## **6. Author**

**Pratish Parmar**  
**Senior Accountant**  
Ext. 6013

## FINANCIAL, LEGAL AND OTHER IMPLICATIONS

### 1. Financial Implications

This report is solely concerned with financial issues

### 2. Legal Implications

None

### 3. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph within Report	References
Equal Opportunities	NO		
Policy	NO		
Sustainable and Environmental	NO		
Crime and Disorder	NO		
Human Rights Acts	NO		

### 4. Background Papers – Local Government Act 1972

Final Accounts tabulations and working papers.

Reports to the Finance and ICT Committee – 15<sup>th</sup> August 2000:  
 General Fund Revenue Outturn 1999/00  
 DSO Accounts 1999/00  
 Housing Revenue Account 1999/00 Outturn

### 5. Consultations

None

### 6. Reasons for treating the report Not for Publication

N/A