



NORTHAMPTON
BOROUGH COUNCIL

Name of Committee	COUNCIL
Directorate:	Governance and Resources
Corporate Director:	Isabell Procter
Portfolio Holder:	Cllr M. Mildren
Date:	28 June 2007
Key Decision:	Yes

Report Title	2006/07 STATEMENT OF ACCOUNTS
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1. PURPOSE

- 1.1 To present the 2006/07 Statement of Accounts to Council.
- 1.2 To note any Audit Committee or Cabinet comments and pass any comments to full Council if necessary.

2. RECOMMENDATIONS

- 2.1 That Council review the 2006/07 statement of accounts and indicate whether there are any concerns arising that need to be brought to the attention of the Cabinet.
- 2.2 That Cabinet consider any observations from the audit committee
- 2.3 That the revised general fund balance be noted.
- 2.4 That subject to any comments arising at 2.1 above that Council be recommended to adopt the 2006/07 statement of accounts.

3. ISSUES AND OPTIONS

- 3.1 The Accounts and Audit Regulations 2003 require the Council to formally approve the Statement of Accounts by 30th June.
- 3.2 The detailed format of the statement of accounts follows guidance issued by CIPFA/LASSAC. The format of the statement can change from year to year to reflect new requirements or changes in best practise.
- 3.3 The attached statement of accounts at Annex A will be presented to the external auditor on 30th June 2007 and will thereafter be available to the general public through the statutory deposit period. During this time members of the public may view documents and ask questions.
- 3.4 Any material changes arising from the audit of the 2006/07 accounts will be reported back to the audit committee in September.

General Fund

- 3.5 The General Fund working balances total £2.9m as identified within the Statement of Accounts at Annex A (page 27). The Council also holds General Fund earmarked reserves of £5.9m to mitigate specific business risks as identified within the Statement of Accounts at Annex A (page 61 Note 35 e). Taking the Council's financial position into account and the inherent risks in the 2007/08 budget along with potential risks relating to single status, the minimum prudent level of working balance should be £2.5m. This will be reviewed during 2007/08.

Housing Revenue Account (HRA)

- 3.6 The outturn position for the HRA shows an accumulated in year surplus of £1.2m giving a level of working balances of £5.8m as identified within the Statement of Accounts at Annex A (page 69). The Council also holds an HRA earmarked reserve of £3.0m to finance future capital expenditure as identified within the Statement of Accounts at Annex A (page 61 Note 35 e).

The Collection Fund

- 3.7 The collection fund had an in year surplus £1m resulting in a minimal overall fund surplus. It was estimated in January 2007 that the deficit would be £130k and this was apportioned between precepting authorities and the proportion relating to this council (£20k) was included when setting the budgets for 2007/08. The balance of the surplus will be carried forward into the 2007/08 collection fund and will form part of the calculation of surpluses and deficits for setting the 2008/09 budget.

5. Resource Implications (including Financial Implications)

5.1 The statement of accounts summaries the Councils Financial Position as at 31st March 2007.

6. Risk and Opportunity Issues

6.1 The Council's General fund working balance as at 31st March 2007 was £2.9m. Balances which have been earmarked for use are £5.9m.

6.2 There are Comprehensive Performance Assessment implications on the timing of the approval of the statement of accounts and the statement of internal control.

7. Legal Implications

7.1 The statement of accounts is a statutory document which needs to be approved by the Council by 30th June 2007 in respect of the 2006/07 financial year.

8. Consultees (Internal and External)

Internal	Management Board, Corporate Managers and Internal Audit.
External	N/A

9. Compliance Issues

A: How Proposals Deliver Priority Outcomes

Recovery Plan
N/A
Corporate Plan
N/A

B: Other Implications

Other Strategies
None

10. Background Papers

Title	Source
Statement of Accounts Working Papers Audit Committee Report & Minutes Cabinet Report & Minutes	

Name	Signature	Date	Ext.
Author & Director Isabell Procter	Isabell Procter	24.06.07	
Monitoring Officer or Deputy (Key decision only)			
Section 151 Officer or Deputy (Key decision only)	Isabell Procter	24.06.07	