

**WILTSHIRE COUNCIL  
AUDIT COMMITTEE**

**7 SEPTEMBER 2012**

---

**WILTSHIRE COUNCIL: STATEMENT OF ACCOUNTS 2011/2012**

**Purpose of Report**

1. To present the Draft Statement of Accounts in respect of the 2011/2012 financial year for Wiltshire Council.

**Policy Considerations**

2. The Council is required to prepare an annual Statement of Accounts and to arrange for them to be audited and reported in accordance with the Accounts and Audit Regulations 2011, and the 2011/2012 Code of Practice on Local Authority Accounting in the United Kingdom, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

**Background and Introduction**

3. The Audit Commission Act 1998, the Code of Audit Practice (issued by the Audit Commission) and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom set out the requirements for the production and publication of the annual Statement of Accounts.
4. The regulations for the adoption of the Statement of Accounts do not require for Members to adopt the draft Statement of Accounts. The draft Statement of Accounts are required to be certified by the Chief Finance Officer within three months of the financial year end (by 30 June 2012). The Statement of Accounts are then subject to external audit by the Council's appointed auditors (KPMG) before the final set is brought to Members for final approval by 30 September 2012.
5. This adoption process ensures that there is external independent scrutiny of the figures in the Statement of Accounts before they are brought to Members. KPMG are required to report on amendments from the draft Statement of Accounts submitted for audit to the final version presented to Members. This report is elsewhere on the agenda.
6. The Statement of Accounts is attached as Appendix A.

## **Key Issues Arising**

7. The Comprehensive Income & Expenditure Statement summarises the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from local taxation. Authorities raise taxation to cover expenditure in accordance with regulations. This may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
8. The overall deficit on the Comprehensive Income and Expenditure Statement is £261.628 million. This represents a deficit on the provision of services of £216.262 million and deficits on revaluation of property, plant and equipment assets, and actuarial gains on pension assets of £45.366 million.
9. The deficit on the provision of services is adjusted by various technical adjustments between the accounting basis and funding basis under regulations, as well as taking into account transfers to/from earmarked reserves.
10. Once these technical adjustments have been undertaken, the return to reserves for the General Fund was £0.219 million. This is 0.07% above the revised net budget. Further details of this were reported to Cabinet on 19 June 2012 in the Revenue Outturn Report.

## **Risk Assessment**

11. There are no direct risk implications associated with this report.

## **Equality and Diversity Impact of the Proposal**

12. None have been identified as arising directly from this report.

## **Environmental Impact of the Proposal**

13. There are no direct environmental implications associated with this report.

## **Financial Implications**

14. There are no direct financial implications associated with this report.

## **Legal Implications**

15. There are no direct legal implications associated with this report.

