

# WILTSHIRE COUNCIL

## AUDIT COMMITTEE

30 JUNE 2010

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### WILTSHIRE COUNCIL: DRAFT SET OF ANNUAL ACCOUNTS 2009-10

#### Purpose of Report

1. To present the Draft Set of Accounts in respect of the 2009-10 financial year for Wiltshire Council.

#### Background

2. The financial year 2009-10 represents the first year of Wiltshire Council. The draft set of accounts are still subject to audit by the Council's external auditors KPMG. The final set of audited accounts will be presented to the Audit Committee on 30 September 2010.

#### Draft Set of Accounts

3. The draft set of accounts has been prepared in accordance with the project plan that was reported to the Audit Committee in December 2009. The Chief Finance Officer has ensured that the project plan has been properly resourced with suitably experienced and qualified accounting staff. There has been close liaison with KPMG throughout the preparation of the accounts.
4. The draft set of accounts is shown in Appendix 1. The requirements of the International Financial Reporting Standards for the 2009-10 financial year are fully incorporated in the draft accounts.
5. The Summary of Net Expenditure in the accounts shows a General Fund expenditure of £332.441 against a Revised Budget of £332.218 resulting in a net overspend of £0.223. This was reported to Cabinet on 22 June 2010 in the Outturn Report.
6. The Statement of Accounts also contains the Income and Expenditure Account. This shows an accounting deficit of £114.064 million after allowing for the statutory inclusion of technical adjustments such as depreciation. The technical adjustments are then excluded by statute from the determination of the General Fund expenditure to result in the overspend of £0.223 million which represents the true financial position of the authority, after allowing for movement of the General Fund balance. The General Fund balance is a surplus of £13.770 million as at 31 March 2010.
7. The reconciliation of the Income and Expenditure Account with the Summary of Net Revenue Expenditure and General Fund Balance are shown below.

## Reconciliation of Income and Expenditure Account

	£ '000	£ '000
Accounting Deficit for Year (as per Income and Expenditure Account)		114,064
Technical Adjustments		114,064
• Included in the Income and Expenditure Account but required by Statute to be excluded from the General Fund expenditure	(129,618)	
• Not included in the Income and Expenditure Account but required by Statute to be included in the General Fund expenditure	39,103	
• Transfer of reserves	(23,979)	
• Contribution to General Fund Balance	653	
Outturn revenue overspend as reported to Cabinet 22 June 2010		223

8. When the final set of accounts are presented on 30 September 2010, there will also be a presentation showing whereabouts in SAP and other related finance systems, the various elements of the accounts are derived. This will highlight the integration of the systems and procedures that has underpinned the Statement of Accounts.

### **Risk Assessment**

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

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

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

### **Environmental Impact of the Proposal**

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

### **Financial Implications**

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

### **Legal Implications**

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

### **Recommendations**

14. That the Audit Committee receive the draft accounts for 2009-10.

## **Reason for Recommendations**

15. The Audit Committee are aware of the unaudited accounting statement for 2009-10.

**MARTIN DONOVAN**  
Chief Finance Officer

REPORT AUTHOR  
MARTIN DONOVAN – CHIEF FINANCE OFFICER

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The following unpublished documents have been relied on in the preparation of this report:

### **Appendices:**

Appendix 1                      Draft Set of Accounts

