

8. 2013/14 Dorcas House Statement of Accounts

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Purpose of the Report

To present to Area South Committee, for approval, the 2013/14 Dorcas House Annual Statements.

Recommendation

To approve the 2013/14 Draft Statement of Accounts. A copy of the draft Statement of Accounts has been circulated separately with this agenda.

Background

Dorcas House Trust is a registered charity and is regulated under Charity Commission Schemes.

As a local authority SSDC is required to demonstrate compliance with the underlying principles of good governance and that a framework exists to demonstrate this. One of the principles is accountability and preparing and publishing the annual Statement of Accounts is one way that the Council achieves this objective.

The Accounts and Audit (England) Regulations 2011 came into force on 31 March 2011. The Dorcas House Statement of Accounts needs to be evidenced by the Chair of Joint Area Committee South signing and dating the balance sheet and the annual report.

In October 2013 Dorcas House was sold and the accounts reflect the cessation of the day to day operations, and that at the end of the financial year a capital sum is being held in order to purchase more suitable rental accommodation.

Statement of Accounts

Grant Thornton will not review separately the annual Statement of Accounts and supporting working papers as the turnover is below £25k.

Key Features from the Statement of Accounts

The Dorcas House Statement of Accounts contains four areas of focus reflecting the financial position as at the 31st March 2014. These are:

- Annual Report for the year-presented as a separate Area South report
- Statement of Financial Activities
- Balance Sheet
- Notes on Statement of Accounts-presented with Accounts

Statement of Financial Activities

This account gives detailed information about the total income, and expenditure of the service in terms of day-to-day running costs. The table below shows the reason for any variances of more than £1,000:

Revenue Area of Income / Spend	2013/14 £'000	2012/13 £'000	Variance £'000	Reason for Variance
Rental Income	(7.5)	(24.2)	16.7	Flats were only available to let until July 2013 as the property was put on the market for sale.
Repairs & Maintenance	4.0	8.3	(4.3)	Decrease in routine maintenance work following its disposal.
Council Tax	1.6	0.2	1.4	SDDC liable for council tax up until property sold, previously had been paid by tenants
Management & Administration	2.5	3.9	(1.4)	Decreased recharge from Property Services.
Interest	(2.3)	(0.1)	(2.2)	Interest paid on the capital receipt as well as investments.

Note that figures in brackets in the variance column are favourable variances.

The Balance Sheet

The Balance Sheet provides the Council with a snapshot of the overall financial position as at the 31st March 2014. The major variations of over £1,000 and the reason for those variations are shown below:

Balance Sheet Heading	2013/14 £'000	2012/13 £'000	Variance £'000	Reason for Variance
Investments	1.2	52.3	(51.1)	Realisation of CCLA investment.
Cash	437.3	16.8	420.5	Cash received for realised CCLA investment and proceeds of property sale.
Debtors	0.7	2.7	(2.0)	Decrease in rents owed.
Creditors	0.0	(5.2)	5.2	No paid in advance rental income.

Note that the positive figures in the variance column are favourable variances.

Financial Implications

There are no financial implications associated with these recommendations.

Background Papers: *Dorcas House Statement of Accounts 2013-14*
