

## 9. 2008/09 Annual Statement of Accounts

*Portfolio Holder: Robin Munday, Finance & support Services*  
*Group Manager: Donna Parham, Head of Finance*  
*Lead Officer: Amanda Card, Principal Accountant – Corporate Finance*  
*Contact Details: amanda.card@southsomerset.gov.uk or (01935) 462542*

### 1. Purpose of the Report

To re-present the 2008/09 Annual Statement of Accounts to the Audit Committee to show the amendments required which were highlighted during the audit.

### 2. Recommendation(s)

To note the amendments to the Statement of Accounts to correct the minor re-categorisation errors that were highlighted during the audit. A copy of the revised draft Statement of Accounts is attached.

### 3. Background

- 3.1 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.
- 3.2 Members will remember having approved the draft Statement of Accounts at the Audit Committee meeting held in June 2009. Since the approval of Accounts two amendments have been made with agreement of the Audit Commission.
- 3.3 This report:
  - Re-presents the 2008/09 Statement of Accounts incorporating the necessary amendments required following the audit.
- 3.4 Please contact Amanda Card before the meeting on 01935 462542 with any questions on the information presented.

### 4. Amendments to the Financial Statements

- 4.1 The Yeovil Business Innovation Centre was included in Assets Under Construction for the value of £4,553,998. After discussion with the auditors, it was concluded that as the Business Innovation Centre was operational it should be re-classified as an Investment Property Asset.
- 4.2 Section 106 monies held by South Somerset District Council were disclosed under Provisions. In line with the Statement of Recommended Practices 2008, these amounts have now been re-classified as Developers Contributions Deferred.

- 4.3 The method which actuaries use to value pension fund assets have changed, this impacted on the pensions interest costs, the expected return on pensions assets and the pension fund deficit. The statements prepared, incorporated a prior period adjustment to show the effect the change in valuation techniques would have on comparative figures. The Audit Commission have stated that the difference in valuation techniques did not result in a material change, and as such the 2007/08 figures should not have been restated. It has not been necessary to amend the 2008/09 accounts as the figures are correct.
- 4.4 The underlying figures within the statements have not changed through these agreed changes. It is only to aid the reader of the accounts in clarifying the categories of where the figures should sit. Neither adjustment affects the bottom line of the Income and Expenditure Account or the Balance Sheet.
- 4.5 The auditor has also given an unqualified opinion that they were satisfied that the financial statements presented show a true and fair view of SSDC's financial position at the end of 2008/09.

## 5. Financial Implications

- 5.1 There are no financial implications associated with these recommendations.

**Background Papers:** 2008/09 Annual Statement of Accounts – June 2009

---