

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT OF THE TREASURER

CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE

THURSDAY 28th SEPTEMBER 2011

STATEMENT OF ACCOUNTS 2010/2011

1. Purpose of the Report

- 1.1 The purpose of this report is to present the Joint Committee's Statement of Accounts for the financial year ended 31st March 2011; which is now due to be signed off by our external auditors KPMG, and to receive the auditors Report to those Charged with Governance.

2. Connection to Corporate Improvement Objectives / Other Corporate Priority

- 2.1 None.

3. Background

- 3.1 The Accounts and Audit Regulations require that the Joint Committee approves the audited Statement of Accounts by 30th September. The format and content of the statement is governed by those regulations and for 2010/11 the accounts have been produced in line with a new Code of Practice on Local Authority Accounting in the United Kingdom for 2010 which is in line with International Financial Reporting Standards
- 3.2 The (unaudited) Statement of Accounts was reported to the Joint Committee on the 14th July 2011.
- 3.3 The (unaudited) Statement of Accounts were placed on public deposit and were subject to audit by KPMG, the auditors appointed for the Joint Committee by the Wales Audit Office.

4. Current Situation /Proposal

- 4.1 KPMG, our external auditors, have carried out their audit of the 2010/11 Statement of Accounts and made some amendments. The deficit for the year is £3,000, with total reserves of £515,000 which includes an

accumulated surplus of £474,000 as at 31st March 2011. The revised Statement of Accounts is attached as **Appendix 1**.

- 4.2 The only significant change to the Statement of Accounts is the increase in stock obsolescence and bad debt provisions of £17,059 and the write off of aged customer credit balances of £19,700. The inclusion of these adjustments reduces the year end deficit in the Comprehensive Income & Expenditure Statement from £5,000 to £3,000 and increases the accumulated year end surplus to £515,000.
- 4.3 The mutual responsibilities of auditor and the audited body are expressed in the two other appended documents. Auditing standards require our auditors to obtain representation from the Committee on certain matters material to their opinion. The **letters of representation**, which are attached as **Appendix 2**, confirms to the best of one's knowledge and belief, having made appropriate enquiries of other officers of the Catalogue Supplies Joint Committee, certain assurances to the auditors regarding the financial statements for Catalogue Supplies Joint Committee for the year ended 31st March 2011.
- 4.4 The auditors have prepared an "Audit of Financial Statements Report for 2010/11", which appears as **Appendix 3**. It summarises the key issues identified during the consideration of the statement of accounts and annual governance statement.

5. **Effect upon Policy Framework and Procedure Rules**

- 5.1 There are no implications upon policy framework and procedural rules.

6. **Equality Impact Assessment**

- 6.1 There is no impact on specific equality groups and disability duties.

7. **Financial Implications**

- 7.1 These are reflected in the report and attached Statement of Accounts.

8. **Recommendation:**

- 8.1 It is recommended that the Joint Committee:
- Approve the audited Statement of Accounts for 2010/11 (Appendix 1)
 - Note and agree the Letters of Representations to be provided to KPMG and the Wales Audit Office (Appendix 2)
 - Note the auditors' Audit of Financial Statements Report for 2010/11 (Appendix 3)

DAVID MACGREGOR, CPFA

**ASSISTANT CHIEF EXECUTIVE, S151 OFFICER
BRIDGEND COUNTY BOROUGH COUNCIL
TREASURER TO THE CATALOGUE SUPPLIES SERVICE JOINT
COMMITTEE**

28th SEPTEMBER 2011

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Background Papers: Report of the Treasurer
Statement of Accounts 2010/2011
Catalogue Supplies Service Joint Committee
14TH July 2011
The Accounts and Audit (Wales) (Amendment) Regulations 2010