

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT OF THE TREASURER

CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE

THURSDAY 28th JUNE 2012

STATEMENT OF ACCOUNTS 2011/2012

1. Purpose of the Report

- 1.1 The purpose of this report is to present the unaudited Statement of Accounts for the financial year ended 31 March 2012 to the Joint Committee.

2. Connection to Corporate Improvement Objectives/ Other Corporate Priorities

- 2.1 None

3. Background

- 3.1 The Accounts and Audit Regulations require that the Joint Committee approves the audited Statement of Accounts by 30 September. The format and content of the statement is governed by those regulations and for 2011/12 the accounts have been produced in line with a new Code of Practice on Local Authority Accounting in the United Kingdom (the Code) for 2011 which is in line with International Financial Reporting Standards.

4. Current Situation /Proposal

- 4.1 The unaudited Statement of Accounts for the financial year ended 31 March 2012 has been completed and is attached as Appendix 1.
- 4.2 The accounts will now be placed on public deposit and be subject to audit by KPMG, the auditors appointed for the Joint Committee by the Wales Audit Office. Once audited, the accounts will need to be approved by the Joint Committee by the 30 September 2012 and a Committee date will need to be set for this purpose.
- 4.3 The accounts show that in 2011/12 Catalogue Supplies made a net surplus of £157k as reported in the Comprehensive Income and Expenditure statement. This includes an adjustment in respect of holiday entitlements as required by accounting practise. The

accumulated usable reserves for the Catalogue Supplies service is £668k at the 31 March 2012 compared to £518k in the preceding year.

- 4.4 For reporting consistency, the actual performance for the year is also provided in the format in which information is normally reported to the Joint Committee. This excludes any accrual in respect of the cost of holiday entitlements earned by employees but not taken at the year end. The financial position as at 31 March 2012 (excluding holiday accruals) showed an under-spend on service expenditure within the year of £150k.
- 4.5 The following table provides a summary of the final financial position for the Catalogue Supplies service for 2011/12 as compared to the budget set at the start of the financial year.

Actual 2010/11 £000	Income	Budget 2011/12 £000	Actual 2011/12 £000	Variance 2011/12 £000
(1,121)	Catalogue Sales (net)	(1,125)	(1,241)	(116)
(205)	Other income	(145)	(157)	(12)
(1,326)	Total Income	(1,270)	(1,398)	(128)
	Expenditure			
903	Employees	885	882	(3)
87	Premises	83	84	1
108	Transport	107	100	(7)
167	Supplies & Services	149	138	(11)
5	Third Party Payments	9	9	-
37	Support Services	37	34	(3)
-	Finance Charges		2	2
20	Increase/(Decrease) in Provisions (Bad Debt & Stock Obsolescence)		(1)	(1)
1,327	Total Expenditure	1,270	1,248	(22)
1	(SURPLUS)/ DEFICIT FOR YEAR	0	(150)	(150)

- 4.6 Explanations for the more significant variances from budget are given below:

The more significant variances are:-

- An over-recovery in Catalogue Sales income of £116k as a result of favourable levels of trading experienced in the year.
- A net underspend of £3k on employees in respect of the management of vacancies.
- A net underspend of £7k on transport costs reflecting a planned reduction to the operational costs group.
- A net underspend of £11k on supplies and services costs due to collective minor variances on budget heads.

- Other income includes sponsorship (£96k), retro rebates (£34k) catalogue cost income (£13k) and site recharge income (£13k).

5 Effect upon Policy Framework and Procedure Rules

5.1 There are no implications.

6. Equalities 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 The Joint Committee is recommended to note its unaudited Statement of Accounts for 2011/12.

8.2 That a Committee date is arranged for September to approve the audited accounts.

**NESS YOUNG, CPFA
ASSISTANT CHIEF EXECUTIVE- PERFORMANCE, S151 OFFICER
BRIDGEND COUNTY BOROUGH COUNCIL
TREASURER TO THE CATALOGUE SUPPLIES SERVICE JOINT
COMMITTEE**

28 June 2012

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Background Papers: Statement of Accounts 2011/12