

FINANCE AND AUDIT SCRUTINY COMMITTEE

Minutes of the meeting held on Monday, 29 June 2009, at The Town Hall, Royal Leamington Spa at 4.30pm.

PRESENT: Councillor Mrs Knight (Chair); Councillor; Edwards, Guest Kinson, Illingworth, MacKay, Rhead, Mrs Tyrrell and Vincett.

ALSO PRESENT: Councillor Mobbs.

Apologies for absence were received from Councillor Pittarello and Malcolm Doody.

23. DECLARATIONS OF INTEREST

There were no declarations of interest.

24. STATEMENT OF ACCOUNTS

The Committee considered a report from Finance that set out the Council's Statement of Accounts for year ending 31 March 2009.

The accounts had been closed in respect of the financial year 2008/09 and duly reported to the Executive. The main points were; capital expenditure was underspent by £3.1 million, which had mostly been carried forward to 2009/10 Capital Programme as slippage; the General Fund was underspent by £1.3million of which £0.2 million was transferred to reserves and the balance carried forward for future revenue decisions; the Housing Revenue Account was underspent by £0.4million which had been transferred to the Housing revenue Account Balance.

The Statement of Accounts for 2008/09 had been produced and would be subject to Audit up to the end of September.

As part of Corporate Governance, Members had an important role in overseeing the framework of internal control of the Council. The recommendations had been made in order that the Council could meet the statutory deadline for the approval of its Statement of Accounts.

Following the publication of the agenda Finance had reviewed the treatment of external contributions received but not yet utilised.

In the Statements these amounts (approximately £3.5million) had been credited to revenue services with the counter debit being in the Capital expenditure. As this income related to future capital charges it should not have been included within the revenue account at this time and therefore this had been removed. The net effect of these changes on the Council's balances was zero because it was a presentational issue. Following this the content of report was amended to reflect these changes.

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

The Head of Finance attended the meeting and responded to questions from Members' of the Committee.

RECOMMENDED that

- (1) the Council approves the formal Statement of Accounts for the year ending 31 March 2009;
- (2) the Council welcomes the good news from the report regarding, recycling credits, investment income and other savings reported;
- (3) the Council notes the concerns of the Finance and Audit Scrutiny Committee with regard to the significant, but uncontrollable, decrease in asset value during the year; and
- (4) the Council notes the concerns of the Finance and Audit Scrutiny Committee with regard to the future funding of the pension scheme and the likely increase in the pension deficit which the Finance & Audit Scrutiny Committee would be looking at in due course.

(The meeting ended at 5.15pm)