

REPORT OF THE ACCOUNTS COMMITTEE

GENERAL REPORT

1. This report gives a brief summary of the items discussed at the meeting of the Accounts Committee held on 29 June 2006.

Final Accounts for 2005/06

2. We received the draft Annual accounts for 2005/06, which had been prepared in accordance with the Code of Practice on Local Government accounting to show the overall financial position of the Council., which comprised:
 - Statement of Internal Control
 - Consolidated Revenue Account
 - Balance Sheet
 - Liquidity Ratios
 - Pension Liability
 - Deferred Liabilities
 - Housing Revenue Account
 - Cashflow
3. Under the Consolidated Revenue Account, Members sought clarification as to the amount of money set aside for Job Evaluation. The Director of Finance confirmed that this amount was only intended for completion of the process and had not taken account of any subsequent financial implications from the results of the evaluation process.
4. Members also paid particular attention to the Pension Fund as to whether the situation was better or worse than last year. While the overall liability had reduced, mainly as a result of performance on the investment markets, there are plans to increase the employer's contributions to 16.8% over the next triennial period.
5. Concerns were expressed over the Repairs and Maintenance Trading Account deficit, whereby the Director of Finance explained that the impact of the stock transfer on productivity and the reduction in the Capital Programme, due to the inherent overspend had affected the trading account significantly.
6. The Director of Finance also reported that the reduction in the number of Council House Sales had had an impact on the Council's cashflow situation over this period.

Recommendation

7. The Council is recommended to note this report.

COUNCILLOR P GOLDSWORTHY
Chairman of the Accounts Committee

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There are no background papers to this report.