

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

23 October 2007

Report of the Director of Finance

Part 1- Public

Matters for Information

1 STATEMENT OF ACCOUNTS 2006/07

To inform Members of the outcome of the audit of the Council's Accounts for 2006/07.

1.1 Statement of Accounts

- 1.1.1 I am pleased to report that there was no material changes required to the Accounts following the audit, although some minor technical and textual amendments have been made.
- 1.1.2 For completeness, the Chairman of the General Purposes Committee re-signed the Accounts at the meeting on 26 September 2007 and the District Auditor issued an unqualified opinion on 28 September 2007.
- 1.1.3 Since only minor changes have been made to the Accounts following the audit, I do not propose circulating copies of the audited Accounts to all Members. A copy of the Statement of Accounts for 2006/07 will be placed in the Members' library and is also available on the Council's website at:

http://www.tmbc.gov.uk/assets/finance/Statement_of_Accounts_2006_2007.pdf

- 1.1.4 In addition we are currently completing the summary statement of accounts for publication; copies will be placed on the website and in the Members' library.

1.2 Annual Governance Report 2006/07

- 1.2.1 Our External Auditor (the District Auditor) is required by the Audit Commission's statutory Code of Practice for Local Government bodies to issue a report to those charged with governance summarising the conclusions of her audit work. The Council's Constitution states that it is the General Purposes Committee that is charged with governance as far as this function is concerned.
- 1.2.2 In accordance with this requirement, the District Auditor (DA) has issued, at **[Annex 1]** an Annual Governance Report for the financial year 2006/07. It should

be noted that paragraph 22 makes reference to the related party transaction form issued by my staff each year. At the General Purposes Committee reference was made to the importance of all Members submitting related party returns and it was suggested that this requirement be incorporated within the Members' Code of Conduct.

- 1.2.3 Members will note that there is no material or significant issues that need to be brought to the attention of the Committee. The General Purposes Committee at its meeting on 26 September endorsed and approved the Annual Governance Report for 2006/07.
- 1.2.4 I would also like to remind Members that a training course entitled 'Understanding your Authority's Accounts' is due to take place on the evening of 7 November 2007, which I am sure will be informative and of interest to members of this Committee.

1.3 Legal Implications

- 1.3.1 There are a number of legislative requirements to consider in the preparation and publication of the Statement of Accounts that have been addressed as we moved through the closedown process.

1.4 Financial and Value for Money Considerations

- 1.4.1 As set out above.

1.5 Risk Assessment

- 1.5.1 The Statement of Accounts is a statutory document, therefore, failure to prepare and publish the Accounts in accordance with proper accounting practice and within the statutory timescale could adversely affect the Council's CPA rating.

Background papers:

contact: Paul Worden

Nil

Sharon Shelton
Director of Finance