

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

21 October 2008

Report of the Director of Finance

Part 1- Public

Matters for Information

1 STATEMENT OF ACCOUNTS 2007/08

To inform members of the outcome of the audit of the Council's Accounts for 2007/08.

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 the 24 September 2008 and the District Auditor issued an unqualified opinion on the 30 September 2008.
- 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 2007/08 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_2007_2008.pdf
- 1.1.4 In addition we have prepared a summary statement of accounts document for publication; copies of which will be placed in the members' library and is also available on the Council's website at:
http://www.tmbc.gov.uk/assets/finance/Summary_of_Accounts_0708.pdf

1.2 Annual Governance Report 2007/08

- 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 covering, amongst other things, the outcome of the audit of the Accounts.

1.2.2 Under the Council's constitutional arrangements the Annual Governance Report for 2007/08 **[Annex 1]** was presented to the meeting of the General Purposes Committee on 24 September.

1.2.3 The following two recommendations were made by the Audit Commission in the report:

- *All freehold land should be separately identified in the Council's asset records.*

This is being undertaken in conjunction with Property Services for completion by the end of the financial year.

- *Ensure all planned valuations under the cyclical revaluation programme are completed prior to preparation of the annual accounts.*

Procedures have been strengthened to ensure that all planned valuations are completed and received in accordance with the programme.

1.2.4 A third recommendation was reported verbally at the meeting of the General Purposes Committee: *the accounting treatment of the provision for costs in respect of the redevelopment of Tonbridge town centre is reviewed in 2008/09.* The provision for costs will be reviewed in 2008/09 and adjusted accordingly as appropriate.

1.2.5 The General Purposes Committee at its meeting on 24 September endorsed and approved the Annual Governance Report for 2007/08.

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 The actual cost of the work carried out by the District Auditor is slightly more than the estimated cost notified to us in the 2007/08 Audit Plan which will be reflected in the revised estimates.

1.5 Risk Assessment

1.5.1 The Statement of Accounts is a statutory document and, 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 Use of Resources assessment.

Background papers:

Working papers held by Accountancy Section

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