

Changes made to the Unaudited Statement of Accounts presented to the Audit Committee and General Purposes Committee in June 2011

Other than some technical and textual changes there have been two financial changes made to the Accounts presented to the Audit Committee and General Purposes Committee in June 2011. The two financial changes are explained below and a list of all the changes made to the Accounts can be found in the table below.

Pensions – We received a revised pension report from the Actuary on 24 June and updated the financial statements and pension note accordingly. This resulted in a reduction in both the pension liability and ‘negative’ pensions reserve to £30,101,000 (previously £30,963,000).

Grants and Contributions in Advance – During a review of a sample of our Section 106 Agreements which had been treated as Grants and Contributions in Advance, the Auditors identified one agreement that should have been classed under Contributions Unapplied as there was no condition to repay. The sum transferred from Grants and Contributions in Advance to Contributions Unapplied was £744,000. A review of all Section 106 Agreements is to be carried out in 2011/12.

Page	Prev Amt £ 000's	New Amt £ 000's	Amt Chgd £ 000's	Nature of Change	Line Changed	Reason for Change
4	-8,105	113	+8,218	Technical	Non-Distributed Costs (NDC)	Transfer of Past Service Cost to Exceptional Item
4	0	-8,218	-8,218	Technical	Exceptional Item (new line)	Transfer of Past Service Cost from NDC at request of Audit Commission
5				Textual	First paragraph changed to reflect Past Service Cost now shown as an Exceptional Item	
9	-31,000	-30,100	+900	Pensions	Explanatory Foreword – Pension Liability (Rounded)	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
12				Textual	Title of Code Amended to 2010/11	Request of Audit Commission
13	23,329	24,073	+744	Grants and Contributions in Advance	Balance at 1 April 2009 Earmarked Gen Fund Res now reads Reserves and Contributions Unapplied	Movement of funds where no condition to repay

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13	21,618	22,480	+862	Pensions	Other Comprehensive Income and Expenditure (Unusable Reserves)	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
14	-7,782	436	+8,218	Technical	Non-Distributed Costs	Transfer of Past Service Cost to Exceptional Item
14	0	-8,218	-8,218	Technical	Exceptional Item (new line)	Transfer of Past Service Cost from NDC at request of Audit Commission
14	-21,532	-22,394	-862	Pensions	Actuarial (Gains) / Losses on Pension Liability	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
15	-30,963	-30,101	+862	Pensions	Pension Liability	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
15	-2,716	-1,972	+744	Grants and Contributions in Advance	1 April 2009 Grants and Contributions in Advance	Movement of funds where no condition to repay to Contributions Unapplied
15	-2,626	-1,882	+744		31 March 2010 Grants and Contributions in Advance	
15	-2,811	-2,067	+744		31 March 2011 Grants and Contributions in Advance	
15		744	+744	Grants and Contributions in Advance	1 April 2009 Grants and Contributions Unapplied	Movement of funds where no condition to repay from Grants and Contributions in Advance
15		744	+744		31 March 2010 Grants and Contributions Unapplied	
15		744	+744		31 March 2011 Grants and Contributions Unapplied	

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15	-30,963	-30,101	+862	Pensions	Pensions Reserve	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
18				Technical	Accounting Policy f) Cash and Cash Equivalents <i>Added: Externally Managed funds normally comprise of investments that cannot be easily realised and are excluded from this heading</i>	Request of Audit Commission
37				Textual	Embedded Lease Vehicles - 42	Number of vehicles added
40				Technical	Trading Undertakings – <i>There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal</i>	Detail in italics added to comply with Code
46				Pensions	Text amended to reflect transfer of Past Service Costs to Exceptional Item	Request of Audit Commission
46	21,532	22,394	+862	Pensions	Text amended to reflect Pension Fund Actuarial Gain	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
47				Textual	<i>Summarises</i> replaced <i>summaries</i>	Request of Audit Commission
47	1,997	2,859	+862	Pensions	Assets Table – Actuarial Gains / (Losses)	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
47	3,818	4,680	+862		Actual return on scheme assets	
47	58,974	59,836	+862		Fair Value of Scheme Assets (bid price)	

Page	Prev Amt £ 000's	New Amt £ 000's	Amt Chgd £ 000's	Nature of Change	Line Changed	Reason for Change
48	21,532	22,394	+862	Pensions	Reconciliation table - Actuarial Gains / (Losses)	Increase in Pension Fund Actuarial Gain notified by Actuary on 24/6/11
48	58,974	59,836	+862		Text and analysis of assets table	
49	58,974	59,836	+862		Scheme History	
49	21,532	22,394	+862		Actuarial Gains and Losses	
50	-4,026	-4096	-70	Pensions	Projected Pension Expense for 2011/12	Update by Actuary
51				Textual	Note 9 to the Accounts <i>Current Year's Actual Collection Fund (Surplus) / Deficit amended to Movement in Actual Collection Fund (Surplus) / Deficit</i>	Request of Audit Commission
60	2,716	1,972	-744	Grants and Contributions in Advance	Balance at 1 April (2009/10)	Movement of funds where no condition to repay to Contributions Unapplied
60	2,626	1,882	-744		Balance at 1 April (2010/11)	
60	92	65	-27	Grants and Contributions in Advance	Interest 2009/10	Transfer of interest to appropriate revenue account
60	49	41	-7		Interest 2010/11	
60	-54	-27	27		Applied to Revenue	
60	-22	-14	7		Applied to Revenue	
60				Textual	New paragraph <i>These are grants and contributions received but as yet have not been applied to revenue and capital projects. Those with conditions are treated as receipts in advance under long term liabilities and those without conditions are treated as a reserve.</i>	

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60				Textual	New Paragraph <i>The sum of £744,000 shown as Grants and Contributions Unapplied represents monies held in respect of Leybourne Lakes Country Park.</i>	
69				Textual	Annual Governance Statement section 10 amended to <i>The District Auditor issued an unqualified opinion on the Statement of Accounts and commented on the high standards of the statements and supporting working papers. He also issued an unqualified value for money conclusion, commenting that the Council continued to perform strongly across all of the areas reviewed, and to demonstrate excellent financial management, robust governance arrangements and good use of its resources.</i>	Request of Audit Commission