

AGENDA ITEM 4

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: DRAFT FINAL ACCOUNTS as at 31 MARCH 2014
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 20th June 2014
Author: TREASURER

1. INTRODUCTION

- 1.1 The Board is required by law to prepare a statement of accounts in accordance with 'proper practices' which set out its financial position at the end of each financial year. This is defined as meaning compliance with the terms of the Code of Practice in Local Authority Accounting in the United Kingdom prepared by CIPFA/ LASAAC Joint Committee.
- 1.2 The Code specifies the principles of accounting required to give a 'true and fair' view of the financial position and transactions of the Board, following completion of the audit.
- 1.3 The Code is based on International Financial Reporting Standards within a framework of the Government Financial Reporting Manual (FRoM).
- 1.4 The Board is legally obliged to complete the draft accounts and submit them by 30th June to the Controller of Audit so that they can be scrutinised by the appointed external auditor for accuracy and completeness.
- 1.5 A final audited set of accounts, and the auditor's report, will be presented to the Joint Board at the next appropriate meeting.

2. BACKGROUND

- 2.1 The accounts have been prepared in accordance with proper practices as set out in the *Code of Practice on Local Authority Accounting in the United Kingdom 2013/14*. The Financial Statements show the actual figures for 2013/14 and the comparable figures for 2012/13.
- 2.2 The draft deficit on the provision of services reported in the Comprehensive Income and Expenditure Account is £54k. However this includes £198k of accounting adjustments which require to be reversed out in the Movement in Reserves Statement to create a surplus of £144k for the year.

- 2.3 The useable surplus brought forward from previous years is £619k. The surplus achieved in the year is £144k. The surplus carried forward to future years is therefore £763K. The balance of £763k has been retained as a surplus attributable to constituent authorities in the general fund usable reserve.
- 2.4 The Board has previously approved the ear-marking of £359K for specific projects. This has been reviewed and the amount of ear-marked reserves required at the end of the 13-14 financial year is now considered to be £225K. This comprises £200K for Individual Electoral Registration and £25K for outstanding property review requirements. The balance of un-earmarked reserves is therefore £538K.
- 2.5 The Board's reserves strategy stipulates that it should retain uncommitted reserves at a minimum level of 3% of net expenditure, which as at March 2014 would translate to a figure of £76K. The outturn position is therefore £462K in excess of this minimum reserve figure and represents a level of 21%.
- 2.6 A full review of the reserves position is due to take place over the summer with the outcome being presented to Board prior to Budgets being set for the 2015-16 financial year.
- 2.7 A summary of the main financial highlights of the year is contained in my report on pages 5 and 6 of the draft accounts.
- 2.8 A statement recording the remuneration paid to senior employees is also included within the accounts.

3. CONCLUSIONS

- 3.1 The Valuation Joint Board has outturned a surplus of £144k which when added to previous surpluses results in a net surplus of £763k now being held.

4. RECOMMENDATIONS

- 4.1 The Joint Board is asked to note the 2013/14 Draft Statement of Accounts and agree to their submission to the Controller of Audit

Treasurer

20th June 2014

LIST OF BACKGROUND PAPERS

1. Annual Year End Working Papers.

Any person wishing to inspect the above background papers should contact the Treasurer, Nikki Bridle, on Alloa (01259) 452030.