

AGENDA ITEM 6

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: DRAFT FINAL ACCOUNTS as at 31 MARCH 2011
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 17th June 2011
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.
- 1.3 This is the first year that the Code is based on International Financial Reporting Standards within a framework of the Government Financial Reporting Manual (FReM). The Balance sheet of the Board at April 2009 and the 2009/10 accounts have been restated under IFRS to achieve comparable figures for the 2010/11 results.
- 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.
- 1.2 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 new code for 2010/11 introduces full implementation of International Financial Reporting Standards, and significant work over the last year has been undertaken to achieve this transition. The Code is now based on approved accounting standards issued by the International Financial Reporting Interpretations Committee. It also draws on approved accounting standards issued by the International Public Sector Accounting Standards Board and the UK Accounting Standards Board where these provide additional Guidance.

- 2.2 These changes aim to improve the comparability of the Board's accounts with the rest of the public sector and over time with the private sector. There are new statements and layouts and requirements for more detailed disclosures. Overall this results in more detailed financial statements with aim to provide greater transparency about the key issues affecting the Board's finances.
- 2.3 The main financial statements have now changed and comprise a :
- Movement in Reserves Statement
 - Comprehensive Income and Expenditure Account
 - Balance Sheet
 - Cash Flow Statement
- 2.4 The draft surplus on the provision of services reported in the Comprehensive Income and Expenditure Account is £1,216K. However this includes £1,127k of accounting adjustments.
- 2.5 The useable surplus brought forward from previous years is £209K. The surplus achieved in the year is £89K. The surplus carried forward to future years is therefore £297K. The balance of £297K has been retained as a surplus attributable to constituent authorities in the general fund usable reserve.
- 2.6 A summary of the main financial highlights of the year is contained in my report on pages 5 and 6 of the draft accounts.
- 2.7 A new statement is included for the first time recording the remuneration paid to senior employees. This was introduced as a requirement on the Board by the Scottish Government under the Local Authority Accounts (Scotland) Amendment Regulations 2011.

3. CONCLUSIONS

- 3.1 The Valuation Joint Board has outturned a surplus of £89K which when added to previous surpluses results in a net surplus of £297K now being held.

4. RECOMMENDATIONS

- 4.1 The Joint Board is asked to note the 2010/11 Draft Statement of Accounts and agree to their submission to the Controller of Audit.

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Treasurer

LIST OF BACKGROUND PAPERS

1. Various working papers associated with the production of the accounts.

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