

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF RESOURCES & HEAD OF FINANCE

TO:	COUNCIL		
DATE:	13 OCTOBER 2009	AGENDA ITEM:	
TITLE:	AUDITED FINAL ACCOUNTS 2008/09		
LEAD COUNCILLOR:	CLLR LOVELOCK	AREA COVERED:	CORPORATE SERVICES
SERVICE:	FINANCIAL	WARDS:	BOROUGHWIDE
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JOB TITLE:	DIRECTOR OF RESOURCES HEAD OF FINANCE	E-MAIL:	<a href="mailto:Dave.Peasley@reading.gov.uk">Dave.Peasley@reading.gov.uk</a> <a href="mailto:Alan.Cross@reading.gov.uk">Alan.Cross@reading.gov.uk</a>

1. PURPOSE AND SUMMARY OF REPORT

- 1.1 KPMG have now completed their audit of the Council's 2008/09 Accounts and issued an unqualified audit opinion that has been reported to Cabinet and the CCEA Panel.
- 1.2 Since Council approved the accounts last June the Council has received a back dated adjustment of VAT of £3.6million and the 2008/09 accounts have been amended to reflect this.
- 1.3 Council is therefore being asked to approve the audited accounts which take account of the material change to the General Fund Balance arising from the VAT adjustment.
- 1.4 A copy of the Audited Final Accounts for 2009/09 has been placed in each of the group rooms.

2. RECOMMENDATION

- 2.1 That the Audited Accounts for 2008/09 be approved.

3. CHANGES TO THE ACCOUNTS 2008/09

- 3.1 As indicated in the report to Cabinet on 28 September 2009, a small number of relatively minor changes following the audit of the accounts have been made to the accounts since they were approved by Council in June. These include various changes to the values of fixed assets (and matching changes to various (unusable) reserves to better meet the SORP requirements.
- 3.2 In addition, as explained in the Budget Monitoring Report to Cabinet, the Council has received a backdated adjustment of VAT of £3.6million. In discussions with KPMG, this has been treated as an adjusting post balance sheet event (PBSE) and the General Fund balance has increased accordingly. As this change is material. Council is requested to approve the audited accounts 2008/09.
- 3.3 The final accounts with the audit report will as usual be published on the Council's website.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 As a result of the VAT adjustment the General Fund Balance has increased from £ 4.7m to £8.3m.

#### **5. LEGAL IMPLICATONS**

- 5.1 As set out in the report.

#### **6. CONTRIBUTION TO STRATEGIC AIMS / COMMUNITY ENGAGEMENT**

- 6.1 None directly from the report.

#### **7. BACKGROUND PAPERS**

- 7.1 None.