

Item No. 7.3	Classification: Open	Date: 21st July 2004	Meeting Name: Council Assembly
Report title:		Statement of Accounts 2003/04	
Ward(s) or groups affected:		All	
From:		Finance Director	

RECOMMENDATION(S)

1. Council Assembly receives and approves the Statement of Accounts for 2003/04. **(Circulated separately in the Agenda supplement)**
2. That the Mayor, as presiding Member at the meeting of the Council Assembly, signs the Accounts, to indicate that the Accounts have been received and approved by the Council Assembly.

BACKGROUND INFORMATION

3. The Accounts and Audit Regulations 2003 require that the Statement of Accounts be approved within 5 months of the end of the accounting period by a resolution of a Committee of the body to which the Accounts relate. Under the constitution Council Assembly is the body that formally approves the Statement of Accounts.

KEY ISSUES FOR CONSIDERATION

4. A copy of the Statement of Accounts for 2003/04 has been circulated separately.
5. As mentioned above the Accounts are required to be approved by the relevant Committee of the Council within 5 months of the end of the accounting period to which they relate (31st August). If the Accounts are subject to the District Auditor's opinion then they must be re-published after the audit opinion has been made, and within 8 months (30th November).
6. The Accounts and Audit Regulations 2003 apply with full effect to the 2003/04 Accounts. One of the new requirements of the Regulations is that following approval of the Accounts, "The Statement of Accounts shall be signed and dated by the person presiding at the committee or meeting at which the approval was given". In Southwark's case the meeting is the Council Assembly, with the person presiding being the Mayor. The Mayor is therefore requested to sign and date a copy of the Accounts at the meeting of the Council Assembly. Signing the Accounts in this way does not impose any personal liability or responsibility for the Accounts, but just recognises that the Accounts have been formally accepted at the meeting.
7. Additional copies of the Statement of Accounts are available from Strategic Services Department (Financial Management Services) to all interested parties on request. The Accounts will also be available to download from the Southwark

website, along with previous years' Accounts.

8. The Accounts are open for public inspection between Friday 23rd July and Thursday 19th August. The District Auditor will be available on Friday 20th August to hear questions on the Accounts from Southwark electors or their representatives. These dates have been advertised in Southwark News of 8th July and South London press of 9th July. It is intended that the Statement of Accounts containing the District Auditor's opinion will be available later in the autumn and certainly within the statutory 8-month period.
9. The Statement of Accounts were signed on 25th June this year compared to last year's Statement of Accounts being signed on 8th July. This should lead again to an early audit sign-off. The Council is likely to meet the first year deadline of the government's early sign-off requirement under the Audit and Accounts Regulations and the 'Whole of Government Accounts' initiative.
10. Service outturns compared to budget are shown in the table below:

Service	Net Budget 03/04 £000	Outturn 03/04 £000	Variance (Under)/Overspend £000
Education & Culture	191,296	191,734	438
Social Services	105,479	105,477	(2)
Environment & Leisure	44,859	44,839	(20)
Regeneration	12,952	12,986	34
Housing General Fund	15,377	15,299	(78)
Strategic Services	5,120	5,127	7
	<hr/> 375,083	<hr/> 375,462	<hr/> 379
Corporate Budgets & Strategic Financing	4,328	3,949	(379)
	<hr/> 379,411	<hr/> 379,411	<hr/> 0
Council Tax and Government Grants	<hr/> (379,411)	<hr/> (379,411)	<hr/> 0
General Fund	0	0	0
Housing Revenue Account	0	(15,167)	(15,167)

Notes:

1. *The table above differs from that presented in the Accounts. The Accounts have been presented in the prescribed Best Value format.*
2. *The net budget differs from the original base budget set at the start of the year due to virements, revised asset rents and year-end FRS 17 adjustments. All of these changes did not effect the total net budget position.*

POLICY IMPLICATIONS

11. The Statement of Accounts reports the Council's financial activities for the year 2003/04. At the end of the year General Fund balances were at the Medium Term

Financial Strategy target level of £8 million.

CONSULTATION

12. There has been no consultation prior to the Accounts being presented. Consultation is carried out through the public inspection period and the District Auditor's appointed day.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Closing files 2003/04	Financial Management Services Town Hall, Room 4.07	Dennis Callaghan 020 7525 4375

APPENDIX A

Audit Trail

Lead Officer	Stephen Bishop	
Report Author	Dennis Callaghan, Head of Financial Accounting & Reporting	
Version	Final	
Dated	09/07/04	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	no	no
Chief Finance Officer	Yes	Yes
Executive Member	No	No
Date final report sent to Constitutional Support Services	09/07/04	