

	<p style="text-align: center;">General Purposes Committee 13th December 2005</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Resources</p>
For Information	Wards Affected: ALL
Report Title: 2004/05 STATEMENT OF ACCOUNTS	

1. SUMMARY

- 1.1 The Council's external auditors PricewaterhouseCoopers (PwC) have reported their Opinion on the 2004/2005 Statement of Accounts. There are no qualifications. This report asks members to note the revised accounts which include the amendments to those accounts originally submitted to General Purposes Committee on 12th July 2005.

2. RECOMMENDATIONS

- 2.1 Members note the Schedule of Significant Amendments at Appendix 1.
- 2.2 Members note the audited 2004/2005 Statement of Accounts at Appendix 2.

3. DETAIL

- 3.1 The 2004/2005 Statement of Accounts has previously been adopted by this Committee and passed to the external auditors, PwC, to commence the audit.
- 3.2 The 2003 Accounts and Audit Regulations require amended Accounts to be reported to the appropriate Committee which approved the accounts prior to audit.
- 3.3 The main changes to the accounts approved in August relate to the following matters:
- (1) Technical adjustments and reclassification of items in the accounts to comply with latest accounting guidelines.
 - (2) Adjustments arising from internal audit reports.
 - (3) Adjustment relating to capital accounting.
 - (4) Adjustments arising from the reconciliation of internal debtors and creditors.

- (5) Accounting treatment of the Borough's Euro account.

Appendix 1 contains further details of the changes to the 2004/2005 accounts.

- 3.4 The certified accounts are attached at Appendix 2. The accounts have been prepared according to the Code of Practice on Local Authority Accounting in Great Britain. This specifies the principles and practices of accounting required to prepare a Statement of Accounts that is intended to 'present fairly' the financial position and transactions of the authority. Members are requested to note these accounts.
- 3.5 Members should be made aware that the accounts again have no qualification from our auditors. The Auditor's Report is included as pages 8 – 9 of the accounts (Appendix 2). This is the eighth successive year there have been no qualifications to Brent's accounts.
- 3.6 On 27th October 2005, General Purposes Committee received a report from PwC entitled '*Statement of Accounts 2004/2005 - Statement of Auditing Standard (SAS) 610*'. As well as saying that an unqualified audit report would be issued, PwC also said that there were no unadjusted misstatements arising from the audit work. In addition, the report said that no material weaknesses were identified in Brent's internal control systems.
- 3.7 The accounts were signed off by PwC on 31st October 2005. This is in line with the current statutory deadline which has been brought forward from 30th November last year. The statutory deadline will be brought forward further to 30th September 2006 for our 2005/2006 accounts.
- 3.8 However the 2004/2005 audit cannot yet be formally concluded due to a possible objection by a member of the public which PwC are currently investigating.

4. FINANCIAL IMPLICATIONS

- 4.1 This report wholly relates to the Council's finances.
- 4.2 Overall balances at 31st March 2005 exceed those previously allowed for in the budget. The impact of this on the current year's financial position was included in the budget monitoring report presented to the Executive on 14th November 2005.

5. LEGAL IMPLICATIONS

- 5.1 No specific implications

6. DIVERSITY IMPLICATIONS

- 6.1 The proposals in this report have been subject to screening and officers believe that there are no diversity implications arising from it.

7. STAFFING IMPLICATIONS

7.1 There are no specific staffing implications.

8. BACKGROUND INFORMATION

1. Report to General Purposes Committee on 12th July 2005 entitled '*2004/2005 Statement of Accounts*'.
2. Report to General Purposes Committee on 27th October 2005 entitled '*Statement of Accounts 2004/2005 – Statement of Auditing Standards (SAS) 610*'.
3. Accounts and Audit Regulations 2003.

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