AUDIT COMMITTEE

13TH JULY 2018

STATEMENT OF ACCOUNTS 2017-2018

Recommendations / key decisions required:

1) To receive the Carmarthenshire County Council Statement of Accounts 2017/18

(2) To retrospectively approve the movements to and from the Earmarked Reserves.

In particular the transfers to :
The Corporate Retirement Fund
The Major Development Fund
MEP Capital Funding

(3) To retrospectively approve the creation of the City Deal Reserve.

Reasons:
To comply with the Accounts and Audit (Wales) Regulations 2014.

Relevant scrutiny committee to be consulted: NA

Exec Board Decision Required	NO
Council Decision Required	NO

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. David Jenkins

Directorate: Corporate Services Head of Service: Randal Hemingway Report Author: Randal Hemingway	Designations: Head of Financial Services	Tel No. 01267 224886 E Mail Addresses: RHemingway@ carmarthenshire.gov.uk

EXECUTIVE SUMMARY
AUDIT COMMITTEE
13TH JULY 2018

STATEMENT OF ACCOUNTS 2017-2018

The Statement of Accounts for 2017/18 brings together all the financial transactions of the Authority for the year, and also details the Authority's assets and liabilities as at the 31st March 2018.

The Authority has maintained the overall Council Fund net expenditure within budget during 2017/18, and you will note the following results are reported in the Movement in Reserves Statement:

Council Fund (Generally available for new expenditure). Transfer to balances £480k
Balances held by schools under local management schemes. Transfer from balances £195k.
Housing Revenue Account. Increase in balance £6,103m , including £3.8m to support the Authority's Affordable Homes Strategy

Whilst a number of service areas across the authority experienced demand led pressures during the year, these have been offset by under-spends in other service areas; specifically on capital financing costs and a higher than estimated collection level on Council Tax.

The resultant outturn has meant that the Authority transferred £480k to its general reserves, against a budgeted transfer of £200k from the reserves.

In the preparation of these accounts there have been movements to and from earmarked reserves. In particular transfers to:

The Corporate Retirement Fund: £750k to support the Authority's redundancy and early retirement policy, enabling the Authority to provide for the actuarial strain on the pension Fund which arises from any early retirement or redundancy.

The Major Development Fund; Transfer of £2.041m to support major developments in the future.

MEP Capital Funding: £3.533m set aside in the 2017-2018 budget to meet the cost of prudential borrowing to finance the Modernising Education Provision programme. This will now be utilised in 2018-2019.

The City Deal Reserve: *Transfer £2m to meet potential future expenditure in respect of City deal projects.*

Members are therefore asked to retrospectively approve these movements and approve the creation of the City Deal Reserve.

DETAILED REPORT ATTACHED ?	**YES**

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **Randal Hemingway** **Head of Financial Services**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	**YES**	**YES**	**NONE**	**NONE**	**NONE**	**NONE**

Legal

Compliance with the Accounts and Audit Regulations 2014

Finance

Overall the Authority's Council Fund net expenditure for the year was below the original budget, resulting in a transfer of £480k to balances on the Council Fund as opposed to a budgeted transfer of £200k from Council Fund Balances, and a transfer of £6,103m to the Housing Revenue Account balance which includes £3.8m to support the Authority's Affordable Homes Strategy.

At the balance sheet date the Council Fund General Balances stood at £9,783m, the Housing Revenue Account £20,114m and the balances held by schools under LMS £1,515m

The reserves created and included within the Statement of Accounts have been set up to meet future liabilities.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below **Signed: Randal Hemingway Interim Head of Financial Services**
1.Scrutiny Committee – Not applicable **2.Local Member(s) – Not applicable** **3.Community / Town Council – Not applicable** **4.Relevant Partners – Not applicable** **5.Staff Side Representatives and other Organisations – Not applicable**
Section 100D Local Government Act, 1972 – Access to Information **List of Background Papers used in the preparation of this report:** **THESE ARE DETAILED BELOW**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Accounts and Audit (Wales) Regulations 2014		Corporate Services Department, County Hall, Carmarthen
Code of Practice on Local Authority Accounting 2017		Corporate Services Department, County Hall, Carmarthen