

## APPENDIX 1 - SUMMARY OF MAIN CHANGES TO FINANCIAL STATEMENTS ARISING FROM AUDIT

Section of Accounts Changed	Audited Accounts £000s	Unaudited Accounts £000s	Change £000s	Comment/Explanation
<b>Income &amp; Expenditure Account (Page 13)</b>				
Net Cost of Services	205,721	202,432	3,289	Reduction in credit to I&E for NPDO residual value - £2,925,000. Part reversal of single status provision for amounts paid in 2007-08 – (£47,000). Write back of deferred government grant credit after prior year adjustment - £157,000. Adjustment to housing benefit overpayment debtor and corresponding bad debt provision – (£95,000) Increase in housing benefit subsidy accrual - £56,000 Transfer of funding for Youth ASBO's from earmarked reserve to creditor balance - £160,000. Charge of elections control account balance to I&E - £133,000.
Interest Payable and Similar Charges	11,249	11,179	70	In year charge to I&E of impact of effective interest calculation on borrowings.
Surplus/(Deficit) for the year	5,065	8,424	3,359	Due to the net impact of the above changes.
<b>Statement of Movement on the General Fund Balance (Pages 14-15)</b>				
Surplus/(Deficit) for the year	5,065	8,424	3,359	See Income and Expenditure Account above.
Net Additional Amount to be debited or credited to the General Fund for the year	888	(2,264)	3,152	Reversal of change to deferred government grant credit through I&E - £157,000 Reversal of change on capital element of schools NPDO payment - £2,925,000 Reversal of in year charge to I&E of impact of effective interest calculation on borrowings £70,000
Increase/(Decrease) in General Fund Balance for the Year	5,953	6,160	207	Due to the net impact of the various changes to the Income and Expenditure Account less the reversals out through the Statement of Movement on the General Fund Balance.
Balance on General Fund	31,006	31,213	207	As above.

Section of Accounts Changed	Audited Accounts £000s	Unaudited Accounts £000s	Change £000s	Comment/Explanation
Carried Forward				
<b>Balance Sheet (Page 17)</b>				
Long Term Debtors	1,657	4,582	(2,925)	Change in NPDO Schools residual value after re-working of calculation.
Debtors	20,296	20,334	(38)	Clearance of elections control account expenditure from debtors to I&E - £133,000. Adjustment to Housing Benefit Overpayment debtor and related bad debt provision – (£95,000).
Investments	5,000	-	5,000	Transfer from cash and bank of deposits identified as short term investments.
Cash and Bank	-	5,000	(5,000)	Transfer to investments of deposits identified as short term investments.
Creditors	(35,680)	(35,464)	(216)	Additional accrual for housing benefit subsidy £56,000. Transfer of Youth ASBO funding from earmarked reserve to creditors £160,000.
Borrowings Repayable in excess of 12 months	(187,476)	(187,113)	(363)	Increase in borrowings as a result of effective interest calculation, required to comply with financial instrument part of 2007 SORP.
Government Grants - Deferred	(49,485)	(50,683)	1,198	Prior year adjustment to write off deferred government grants which could not be matched to individual assets on the council's asset register.
Provisions	(5,971)	(6,018)	47	Part reversal of single status provision for payments made during 2007-08.
Deferred Liabilities	(1,822)	(1,072)	(750)	Transfer of Land Contamination Repairs and Renewal Reserve to Deferred Liabilities.
Capital Adjustment Account	(72,050)	(73,777)	1,727	Prior year adjustment to write off deferred government grants which could not be matched to individual assets on the council's asset register to the Capital Adjustment Account – (£1,198,000). Change in NPDO Schools residual value after re-working of calculation, reversal of impact on I&E through Statement of Movement on General Fund Balance to Capital Adjustment Account - £2,925,000.
Financial Instruments Adjustment Account	7,114	6,751	363	Write off to Financial Instruments Adjustment Account of increase in borrowings as a result of effective interest calculation, required to comply with financial instrument part of 2007 SORP.
General Fund Balance	31,006	31,213	207	As above