

Audited Accounts (Financial Statements) for the year ended 31 March 2008

Summary

1. *This Report provides the General Assembly with audited accounts for 2007/08.*

Recommendations

2. *That the General Assembly receives the accounts.*

Background

3. *The LGA's audited accounts are **attached**. These were approved by the Resources Panel on the 3rd June and have been agreed by our newly appointed auditors, KPMG LLP.*
4. *Historically, the LGA have consolidated Local Government Association (Properties) Limited within their financial statements. KPMG LLP have advised that this approach is inconsistent with the treatment of each of the other LGA related companies. As a result, the financial statements of LGA (Properties) Ltd have not been consolidated within the attached LGA financial statements.*
5. *The audited accounts, before FRS17 accounting provisions relating to pensions liabilities, show a surplus for the year of £93k.*
6. *The FRS17 adjustments add a further surplus in year of £10k, resulting in an overall retained surplus for the year of £103k (£93k + £10k) and an actuarial loss on pension fund balances of £10,162k.*
7. *The audited balance sheet reports a deficit in reserves after FRS17 adjustments of £24,244k (from £14,185k in 2007). Whilst the pension deficits are assumed to be made good over time by actuarial adjustments to employers pension contributions, the Association's accumulated surplus has risen over the year from £585k to £678k (see note 9 to the accounts).*

Contact Officer: John Ransford, 020 7664 3236, john.ransford@lga.gov.uk