

**EAST AYRSHIRE COUNCIL**

**COUNCIL MEETING – 27 JUNE 2002**

**ABSTRACT OF ACCOUNTS AND  
COMPETITIVE SERVICES ANNUAL REPORT 2001/02**

**Report by Director of Finance**

**1 PURPOSE OF REPORT**

- 1.1 To submit the Annual Accounts for 2001/02 to the Council and to seek approval to forward them to the Controller of Audit.

**2 BACKGROUND**

- 2.1 The Local Authority Accounts (Scotland) 1985 Regulations require the Director of Finance to prepare accounts as soon as practicable after the end of each financial year and to submit these to the authority and to the Controller of Audit by 30 June of the next financial year. In addition to the Abstract of Accounts the Council is also required to prepare accounts in respect of Competitive Services no later than 30 September of the next financial year. Both documents are enclosed with this report.

**3 INTRODUCTION**

- 3.1 The Abstract of Accounts shows the actual figures for 2001/02 and the equivalent amounts for 2000/01. The Competitive Services Annual Report shows the Revenue Accounts for each DLO and DSO together with a report by the appropriate Director on the performance for the year.

**4 2001/02 OUT-TURN**

**4.1 Overall Position**

The cumulative surplus on the General Services Revenue Account at 31 March 2002 is £1.164m. The budgeted cumulative position was a surplus of £0.504m. The outturn is £0.660m better than planned therefore. The Housing Revenue Account shows a surplus for the year of £0.179M which added to the brought forward surplus of £0.066M gives a surplus balance of £0.245M. It is proposed to transfer the Housing Revenue Account balance to the Renewal and Repairs Fund. All DLOs and DSOs achieved surpluses for the year.

**5 APPROPRIATIONS**

- 5.1 In line with the practice established in previous years, £1.081M has been transferred to the Insurance Fund to meet the cost of premiums and certain excesses.

**6 CAPITAL FUND**

6.1 Local Government (Scotland) Act 1975 authorises the establishment of a Capital Fund which may be used to defray any expenditure of the Authority to which capital is properly applicable or in providing money for repayment of the principal of loans. It is proposed that the Council establishes such a fund and, for the 2001/02 accounts, authorises the transfer to it of such capital receipts as are agreed with the auditor provided that such transactions will have no effect on the closing revenue balance of £1.164m, that Capital Expenditure will remain within Section 94 regulations and that the Council's current Capital Programme plans will be unaffected.

**7 PUBLIC INSPECTION**

7.1 The Abstract of Accounts, once submitted to the Controller of Audit will, at his request, be made available for public inspection and will be the subject of audit for a period of up to three months.

**8 RECOMMENDATIONS**

It is recommended that Members:

- 8.1 approve the transfer of £0.245M from the Housing Revenue Account to the Renewal and Repairs Fund;
- 8.2 approve the transfer of £1.081M to the Insurance Fund
- 8.3 approve the establishment of a Capital Fund and any appropriate transfers to it in terms of paragraph 6.1 above
- 8.4 approve the Annual Accounts for 2001/02 and instruct that they be forwarded to the Controller of Audit; and
- 8.5 otherwise note the contents of this report.

Alex McPhee  
**Director of Finance**

AMcP/DMW  
18 June 2002  
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**LIST OF BACKGROUND PAPERS**

**NIL**

Members wishing further information should contact Tom McHugh, Head of Accounting Services, Tel: (01563) 576308.

**AGENDA**