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**REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 21 AUGUST 2020**

**SUBJECT: ANNUAL ACCOUNTS FOR YEAR ENDING 31 MARCH 2020**

**BY: TREASURER TO THE BOARD**

**1. REASON FOR REPORT**

- 1.1 To submit the audited Annual Accounts for the financial year ending 31 March 2020 to the Board for consideration and approval.

**2. RECOMMENDATIONS**

**2.1 It is recommended that the Board:**

- (a) approves that the Annual Accounts are signed, having regard to the Annual Report from the external auditor considered earlier at this meeting;**
- (b) notes the surplus of £215,000 for 2019/20; and**
- (c) if the Annual Accounts are approved for signing, agrees that £116,000 be returned to constituent authorities leaving a balance on the General Fund of £223,000, and an earmarked reserve for Non Domestic Rates Reform of £91,000.**

**3. 2019/20 ACCOUNTS**

- 3.1 It is a statutory requirement that the Board meets to consider and approve for signature the audited Annual Accounts and, following the signing of the Annual Accounts, provides appropriately signed statements to the External Auditor, Audit Scotland.

- 3.2 A copy of the audited Annual Accounts for 2019/20 are appended to this report as **APPENDIX 1**. There have been two amendments made to the Annual Accounts from the unaudited accounts considered by the Board at its meeting on 19 June 2020: the pension fund actuaries provided updated figures to be used in the IAS 19 calculation in June 2020 and this has resulted in a change in the measurement of the net defined pension liability; the holiday pay accrual in the unaudited accounts was calculated using an average figure from previous years whereas the in the audited accounts the accrual has been recalculated using the actual figures as at 31 March 2020. Neither of these adjustments affects the amount which falls due to be returned to the constituent authorities.
- 3.3 The Auditor's draft Report to the Board and the Controller of Audit is the subject of a separate report to this meeting. The report confirms that there are no unadjusted misstatements in the accounts to report to those charged with governance. The Independent Auditor's report gives an unqualified opinion, which means that the financial statements give a true and fair view of the Board's financial position for 2019/20.
- 3.4 The surplus to be returned to the Constituent authorities is in proportion to the percentage of requisitions for 2019/20 and is as follows:

<b>Authority</b>	<b>%</b>	<b>Amount to be Returned £000</b>
Aberdeen City	39.02	45,000
Aberdeenshire	44.65	52,000
Moray	16.33	19,000
<b>Total</b>	<b>100.00</b>	<b>116,000</b>

If approved, the £116,000 will be returned to constituent authorities by netting off from the October requisitions.

#### **4. CONCLUSION**

- 4.1 **The Board generated a surplus of £215,000 in 2019/20. If the Annual Accounts are approved, £116,000 will be returned to constituent authorities leaving a balance on the General Fund of £215,000**

Author of Report: Lorraine Paisey  
 Background papers: Held within Accountancy Section, Moray Council  
 Ref: LP/LJC/