

## Checklist of questions to assist with the understanding of the Authority's Financial Report

<b>Comprehensive Income and Expenditure Statement</b>	
1	Is the purpose of the Comprehensive Income and Expenditure Statement clear (i.e. does it show actual financial performance under accounting standards before fiscal adjustments)?
2	Do the service net expenditure figures clearly demonstrate the financial performance of the services on the face of the Comprehensive Income and Expenditure Statement during the year?
3	Are the material items of income and expenditure in the Comprehensive Income and Expenditure Statement presented separately on the face of the Statement or explained in the notes?
4	Do the notes to the Comprehensive Income and Expenditure Statement provide easily understandable information relating to the Statement (or lines within the Statement)?
5	Are there any unexplained significant variances between current and previous year information?
6	Have any significant differences between budget reports and net expenditure chargeable to General Fund balances been explained?
7	Are the major statutory adjustments clearly explained and easily understood?
<b>Movement in Reserves Statement</b>	
8	Can the major movements in net worth that occur within the Movement in Reserves Statement be easily identified? Are these explained within the financial statements or Narrative Report?
9	Do the opening balances in the Movement in Reserves Statement match with the closing balances of the preceding year? Are any adjustments to opening balances explained on the face of the Statement and/or in the notes?
10	Is there a clear explanation of the statutory adjustments in the adjustments from income and expenditure charged under the accounting basis to the funding basis line in the Movement in Reserves Statement? (Note this may be linked with the Expenditure and Funding Analysis.)
11	Do the entries on the statutory adjustment line net to nil?
12	Do the related notes on reserves clearly explain the purpose for holding reserves?
13	Does the Total Comprehensive Income and Expenditure line in the Movement in Reserves Statement agree with the information in the Comprehensive Income and Expenditure Statement?
14	How have the balances of usable reserves moved during the year? Are these balances sufficient to support an authority's financial plans in the immediate future and over the medium term?

<b>Balance Sheet</b>	
15	Does the property, plant and equipment information tell the story of the authority's property portfolio during the year (including the major movements in that portfolio i.e. major disposals and acquisitions)? Do these balances reflect the authority's asset management strategy?
16	Has there been any substantial movement in the pension asset or liability? If yes, has the reason for such a movement been explained and the subsequent consequences described in the financial statements or the Narrative Report?
17	Have there been any new provisions or significant movements in provisions in the year? If yes, have the reasons for making these provisions been set out in the financial statements or any material movements been explained?
18	Have there been any significant movements in the authority's borrowings during the year? Are these movements reflected in the authority's borrowing strategy and what impact will this have on the prudential indicators or future investment plans?
19	Are there any significant movements in the authority's investment portfolio? Do these agree with the plans in the authority's treasury management strategies and statutory investment plans?
20	Are there any other significant movements in balances in the balance sheet that are not clearly explained?
21	Do the balance sheet reserves agree with the totals in the Movement in Reserves Statement?
<b>Cash Flow Statement</b>	
22	Do the cash balances in the cash flow statement agree with the relevant balances in the balance sheet?
23	Are the authority's balances reflected adequately in the council's treasury management strategies?