

Appendix B – List of Material Changes agreed with Auditors

The adjustments below have been agreed and included in the amended Statement of Accounts.

1. Revaluation of Council Dwellings by £11.2m resulting from incorrect assumptions used by the Council's external valuers, Drivas Jonas. The adjustment arose from the fact the Authority lies under the Eastern as opposed to the South Eastern Government Office.
2. A Gain of £4m arising from the disposal of the Depot at London Road in 2005/06 was included in 2006/07. This adjustment had no net impact as these gains or losses are required to be reversed when determining the movement on the Council's financial reserves. The £4m was initially excluded as the sale of the Depot was not completed in 2006/07 but in the prior year.
3. The basis of valuation of Council Houses disposed of during the year was amended from Existing Use Value Social Housing (EUVSH) to the value of net cash received under the Right to Buy (RTB) Scheme, in order to seek to comply with the Statement of Recommended Practice (SORP).
4. The 2005/06 comparatives for the Housing Revenue Account were restated in order to eliminate notional interest from Capital Charges, in accordance with the requirements of the SORP.
5. Recognition of additional interest of £109k arising from pension scheme liabilities included in the accounts of Stevenage Homes Limited. This impacts on the Council's Group Accounts.