



AUDIT COMMITTEE REPORT

Report Title	Draft Statement of Accounts 2014/15 and Draft Annual Governance Statement
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AGENDA STATUS: PUBLIC

Audit Committee Meeting Date:	27 July 2014
Policy Document:	No
Directorate:	Management Board
Accountable Cabinet Member:	Cllr M Hallam

1. Purpose

1.1 To present the draft Statement of Accounts (SoA) 2014/15 and draft Annual Governance Statement (AGS).

2. Recommendations

2.1 That the Audit Committee notes the draft SoA 2014/15 and draft AGS.

3. Issues and Choices

3.1 Report Background

3.1.1 The SoA 2014/15 is currently undergoing both audit and public inspection in line with the Accounts and Audit Regulations and is being brought to Audit Committee now to provide an opportunity to review and comment on them before they are finalised and brought to this committee for approval in September 2015.

3.1.2 The Council produced its draft SoA in line with the statutory timescales and it was signed by the Chief Finance Officer (CFO) on 19 June 2015, this is in advance of the statutory deadline of 30 June 2015. The CFO is satisfied that the pre-audit SoA present fairly the financial position of the Council at 31 March 2015.

Financial Position

- 3.1.1 The Core Statements at section E of the Accounts show a net contribution to general fund working balances of £1,827k after taking account of technical adjustments and transfers to reserves. There was no contribution to HRA working balances; however, these are already at the budgeted level.
- 3.1.2 The level of General Fund and HRA working balances at 31 March 2015 are shown below.

Reserve	Amount (£m) 31 March 2015	Amount (£m) 31 March 2014
General Fund working balance	5.470	3.643
HRA working balance	5.000	5.000

Draft Annual Governance Statement (AGS)

- 3.1.3 Under the Accounts and Audit Regulations 2011 the Annual Governance Statement must accompany the Statement of Accounts, and is presented as an appendix to this report.
- 3.1.4 On the first page of the AGS is the Statement of Compliance, which explains how the council complies with the CIPFA Statement on the Role of the Chief Finance Officer. Due to the partnership with LGSS there are a few small functions that are not directly overseen by the Chief Finance Officer. These variations from the CIPFA Statement and how they are addressed instead are explained in the Statement of Compliance section of the draft AGS.

Next Steps

- 3.1.5 The public inspection period, when members of the public can come and inspect the Accounts, is due to end on 30 July.
- 3.1.6 On 31 July is the appointed day when members of the public can put questions to the auditors.
- 3.1.7 The auditors will then complete their audit during August with a view to being in a position to provide their audit opinion and ISA260 in time for the Statement of Accounts to be brought to Audit Committee for sign off on 7 September.

3.3 Choices (Options)

- 3.3.1 The Committee may propose amendments to the draft Accounts, for example to the narratives in the Explanatory Foreword.
- 3.3.2 The Committee may have questions or comments on the draft Accounts or AGS.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 There are no policy implications arising from this report.

4.2 Resources and Risk

4.2.1 There are no direct financial implications arising from this report. The SoA reports on the financial position for 2013/14.

4.3 Legal

4.3.1 There are no legal implications arising from this report.

4.4 Equality

4.4.1 There are no equality implications arising from this report.

4.5 Consultees (Internal and External)

4.5.1 Management Board has been consulted on the draft Statement of Accounts and AGS.

4.5.2 The Statement of Accounts, accompanied by the draft AGS, is currently undergoing public inspection and audit.

4.6 Other Implications

4.6.1 There are no other implications arising from this report.

5. Background Papers

5.1 The draft Accounts were prepared in line with IFRS requirements and relevant legislation, predominantly:

5.1.1 Accounts and Audit Regulation 2011

5.1.2 The Code of Practice on Local Authority Accounting 2014/15

5.2 The CIPFA Statement on the Role of the Chief Finance Officer

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