

Appendices

A – Draft 2015/16
Statement of
Accounts
B – Draft Annual
Governance
Statement



AUDIT COMMITTEE REPORT

Report Title	Draft Statement of Accounts 2015/16 and Draft Annual Governance Statement
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AGENDA STATUS: PUBLIC

Audit Committee Meeting Date:	25 July 2016
Policy Document:	No
Directorate:	Management Board
Accountable Cabinet Member:	Cllr Brandon Eldred

1. Purpose

1.1 To present the draft Statement of Accounts (SoA) 2015/16 and draft Annual Governance Statement (AGS).

2. Recommendations

2.1 That the Audit Committee notes the draft SoA 2015/16 and draft AGS.

3. Issues and Choices

3.1 Report Background

3.1.1 The SoA 2015/16 is currently undergoing both external 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 2016.

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 30 June 2016, by the statutory deadline of the end of June 2016. The CFO is satisfied that the pre-audit SoA present fairly the financial position of the Council at 31 March 2016.

Financial Position

- 3.1.1 The Core Statements at section E of the Accounts show no net increase or decrease to general fund working balances 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 2016 are shown below.

Reserve	Amount (£m) 31 March 2016	Amount (£m) 31 March 2015
General Fund working balance	5.470	5,470
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 SoA, 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.

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 11 August 2016. The public can also ask questions of the auditor during the inspection period.
- 3.1.6 The auditors will complete their final audit during August, and plan to provide their audit opinion and ISA260 report for management comment in time for the final SoA to be brought to Audit Committee for sign off on 5 September 2016.

3.3 Choices (Options)

- 3.3.1 The report is only for noting, however the Committee may propose amendments to the draft SoA, for example to the narratives in the Explanatory Foreword.
- 3.3.2 The Committee may have questions or comments on the draft Accounts or Annual Governance.

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 2015/16.

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 SoA and AGS.

4.5.2 The SoA, accompanied by the draft AGS, is currently undergoing public inspection and external 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 2015/16

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

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