

**REPORT TO THE GOVERNANCE & AUDIT COMMITTEE
MEETING ON 14th JULY 2015**

Status: Open

Title: Draft Statement of Accounts

Originator: Head of Finance and Commercialisation (s151 Officer)

Where from: n/a

Where to next: External Audit and sign off by Governance and Audit Committee

1. PURPOSE OF THE REPORT

- 1.1 The financial statements are the main method of demonstrating financial accountability and stewardship.
- 1.2 The statements confirm the Council's financial position and can be used to inform key decisions going forward.
- 1.3 The Council is required to sign off the audited Statement of Accounts by the 30th September.

2. RECOMMENDATIONS

- 2.1 To note the 2014/15 Statement of Accounts issued on 30 June 2015 attached at Appendix A

3. REASON FOR DECISION

- 3.1 The Accounts and Audit Regulations require the Statement of Accounts to be produced and signed by the S151 Officer by the 30th June 2015. Whilst the accounts are not formally signed off by the Governance and Audit Committee until late September a review of the draft accounts allow any issues raised by the Committee to be considered alongside the External Audit and public inspection of the Accounts .

4. Key Facts

- 4.1 The Draft Statement of Accounts were produced and authorised for issue by the S151 Officer by the 30th June 2014. These were then publicised for

members of the public to examine the accounts between **2nd July 2015 and 29th July 2015.**

- 4.2 The Auditor has agreed that from the 30th July to the end of the audit a local elector can make representations and ask queries of the External Auditor
- 4.3 Over the summer the Council's appointed External Auditor, KPMG audit the accounts with a view to being able to issue their audit opinion by the 30th September. The auditor will issue two opinions
 - (a) An opinion on the financial statement over whether they show a true a fair view
 - (b) A Value for Money conclusion in respect of the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.
- 4.4 The Accounts process is a very complex and time consuming task resulting in the production of the Statement of Accounts. For the financial year 2015/16 there will be a further challenge in producing the accounts by the end of May for audit by the end of July. This will be a major challenge and the Council will have to review its accounting policies and practices following this audit in order to achieve the earlier timetable next year
- 4.4 There were no significant changes in the Council's Accounting policies or CIPFA Code of Practice that was required for the 2014/15 Accounts. This allows for broad comparisons to be made between the two financial years

5. RESOURCE IMPLICATIONS

- 5.1 The draft accounts present the overall financial position of the Council and evidence that the Council's financial position demonstrates the Council is a Going Concern. Changes may be made during the audit as a result of Audit investigations and/or post balance sheet events

6. LEGAL IMPLICATIONS

- 6.1 There are no direct legal implications arising from this report.

7. BACKGROUND PAPERS

- 7.1 Unaudited Statement of Accounts signed by the S151 Officer– June 2015