



# Audit & Governance Committee

## Annual Financial Report 2014/15

Corporate Finance Team

- What is the Annual Financial Report?
- Statement of Responsibilities
- Role of Audit & Governance Committee
- Key points to note
- Future developments

## What is the Annual Financial Report



- At the end of each financial year, the Council is required to produce this technical publication that includes all the financial statements and disclosures required by statute.
- It's completed in accordance with the CIPFA Code of Practice (“the Code”) which equates to ‘proper practice’
- Forms part of Governance Framework
- Gives members of the public the right to inspect the accounts and ask questions

## What is the Annual Financial Report (2)



- Explanatory Foreword
- Auditors Report
- Statement of Responsibilities
- Core Financial Statements
- Extensive notes
- Supplementary Statements
- Annual Governance Statement

## Core Financial Statements



- Comprehensive Income and Expenditure Statement (CIES)
- Movement in Reserves Statement (MIR)
- Balance Sheet
- Cash Flow Statement

## Core Financial Statements (2)



Notes provide greater analysis of key information

Accounting regulations determine the layout of the statements

## What does the Annual Financial Report do?



- Shows that the accounts “present fairly” the financial position of the Council as at 31<sup>st</sup> March each year
- Provides assurance to stakeholders on the governance and control arrangements within the organisation

# Statement of Responsibilities



## The Council

Make arrangements for the proper administration of its financial affairs

## Director of Customer Business and Support Services

Preparation of the Statement of Accounts, including the need to ensure

- Any judgements and estimates made were reasonable and prudent
- Compliance with the Code of Practice on Local Authority Accounting (the Code)

## Audit & Governance Committee

To review and robustly challenge the Statement of Accounts



## Audit & Governance Committee Role



- Scrutiny of the accounts
- Overall understanding
- True & Fair view
- Approve Statement of Accounts & Annual Governance Statement

## Points to note in 2014/15



- General Fund Reserve £8m
- Under Spend £0.688m
- Housing Revenue Account (HRA) Reserve £14m
- Earmarked Housing Revenue Account investment Reserve £11.3m
- Increase in cash & cash equivalents £28m
- Total Borrowing £269.1m
- HRA Borrowing £140.3m, Non-HRA £128.8m

## Future Developments



- Earlier completion and audit
- Transport Infrastructure