
Audit and Governance Committee

23 September 2015

Report of the Director of Customer & Business Support Services

Annual Financial Report - Statement of Accounts 2014/15

Summary

1. This report presents a final set of accounts for 2014/15 to reflect changes made since the draft pre-audit accounts were presented to this committee on 29 July 2015.

Background and Analysis

2. The International Standard on Auditing (ISA) 260 requires the Council's External Auditor to report to those charged with governance any issues arising from the audit of the financial statements. It is also a statutory requirement that the Council approves the final statement of accounts after the audit and by 30th September each year.
3. The accounts attached at Annex A have been revised since the Audit & Governance Committee review in July 2015. A number of minor wording changes and rounding adjustments have been made. Only one item has been amended on the core statements, relating to an item included on the wrong service line. The overall totals remain the same.
4. It should be noted that these changes have no affect on the outturn position of the council as the changes made are accounting adjustments to ensure the accounts present a true and fair view.
5. The details of the changes made are included in section 5 of the Audit Completion Report. The 2014/15 audit is now substantially complete, and Mazars summarise their review of the accounts in their Audit Completion Report which is presented separately on the agenda for this meeting.
6. The annual production of the accounts is the subject of continuous review and, as usual, areas for improvement will be actioned as a

result of any issues identified this year. Any subsequent items identified in the last few days of the audit work will be reported verbally at the meeting.

7. The areas identified in 2014/15 will form the basis of a structured improvement programme in the build up to the production of next years accounts which will focus on:
 - (i) continued effective project planning to ensure deadlines are achieved, in particular planning for an earlier closedown in 2017/18
 - (ii) continued review of the bank reconciliation process to resolve mismatches between systems
 - (iii) training sessions and communication both within the finance team and across the Council to raise awareness
 - (iv) further review of the process of preparing working papers.

Consultation

8. The report of the external auditor has been discussed with the relevant responsible officers. It is reported here for due consultation with those members charged with governance at the council.

Options

9. Not applicable.

Corporate Priorities

10. The Annual Financial Report provides a technical financial summary of the activities of the council and assists in providing the Council with a viable financial position on which to base future budget projections, as well as contributing to the overall effectiveness of the Council's governance and assurance arrangements.

Implications

11. There are no financial, HR, equalities, legal, crime and disorder, IT or property implications arising from this report.

Risk Management

12. Areas of risk identified throughout the annual accounts process are monitored and managed on an ongoing basis to ensure the statutory deadline is met.

13. The Council will fail to comply with legislative and best practice requirements to provide for a proper audit of the Council if it does not consider this report or approve and sign the Annual Financial Report.

Recommendations

14. Members are asked to

- (a) Note the matters set out in the Audit Completion Report presented by the external auditor

Reason

To ensure the proper consideration of the opinion and conclusions of the external auditor in respect of the annual audit of accounts and review of the council's arrangements for ensuring value for money.

- (b) Approve the amended Annual Financial Report at Annex A for signature by the chair from a resolution of this Committee in accordance with the Accounts and Audit Regulations 2003.

- (c) Approve the letter of representation for signature by the Director of CBSS as included in the Audit Completion Report

Reason

To ensure compliance with the International Auditing Standards and any relevant legislative requirements.

Contact Details

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Ian Floyd
Director of Customer & Business
Support Services

**Report
Approved**



Date 14.9.15

Specialist Implications Officers

Not applicable

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

Audit and Governance Committee 29 July 2015 – Pre-Audit Statement of Accounts 2014/15

Annex

Annex A – Final Statement of Accounts 2014/15