

Report of the Director of Customer & Business Support Services

Statement of Accounts 2015/16

Summary

1. The purpose of this report is to present for information the draft 2015/16 Statement of Accounts before they are audited.

Background

2. The Council has to prepare an annual Statement of Accounts and present them to Audit & Governance Committee. Members are not being asked, at this stage, to approve these draft pre-audit accounts. The Chief Financial Officer has already signed the draft accounts by the statutory deadline of 30th June and the audited accounts will be brought back to this Committee in September for approval on behalf of the Council.
3. Following the authorisation of the Chief Finance officer on 30th June the accounts have been available for public inspection since 1st July and will continue to be available for 30 working days. During this period local government electors for the area may also exercise their rights to question the auditor about the accounts. Mazars are the Council's external auditors and they expect to issue a report and opinion by the end of September.
4. The pre-audit Statement of Accounts 2015/16 has been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the UK and is produced in line with International Financial Reporting Standards (IFRS) which are the accounting standards used across the world making Local Authorities' Accounts more comparable with the private sector and worldwide.

5. The first section of the accounts is now titled the Narrative Report and this section explains the main information included in the accounts, gives an overview of the Council and provides further information about the most significant matters reported in the accounts, along with an analysis of the pressures and risks that may impact on future financial performance.

Options

6. As this is a statutory requirement, no options are presented as part of this report.

Corporate Priorities

7. The Statement of Accounts 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. It is a statutory requirement that the accounts are approved by the Audit & Governance Committee after the audit but before 30 September 2016.

Implications

8. The implications are
 - Financial – The Statement of Accounts show that for 2015/16 there is a provisional under spend of £876k. The full details of the outturn position were reported to Executive on 30th June.
 - Human Resources - there are no human resource implications to this report
 - Equalities - there are no equality implications to this report
 - Legal - there are no legal implications to this report
 - Crime and Disorder - there are no crime and disorder implications to this report
 - Information Technology - there are no information technology implications to this report
 - Property - there are no property implications to this report
 - Other - there are no other implications to this report

Risk Management

9. Areas of risk identified throughout the Final Accounts process are monitored and managed on an ongoing basis to ensure the statutory deadline is met.

Conclusion

10. The production and publication of the Statement of Accounts is a statutory requirement that provides Members and interested parties with the chance to see the full financial position of the Council.
11. Bringing the Statement of Accounts to Audit & Governance provides an opportunity for Member led debate and compliance with defined best practice. It is an important part of Member involvement in corporate governance that scrutiny is undertaken of the Council's Accounts.

Recommendations

That the Audit & Governance Committee

- a. note the draft pre-audit Statement of Accounts for the financial year ended 31 March 2016 and
- b. note the changes made to the Annual Governance Statement in Annex C

Reason: To ensure that, in line with best practice, Members have had the opportunity to review the draft pre-audit Statement of Accounts.

Contact Details

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Ian Floyd
Director of Customer and
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Report
approved

Date

Specialist Implications Officer(s) None

Wards Affected: *List wards or tick box to indicate all* **All**

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For further information please contact the author of this report

Annexes

A – Explanation of core statements

B – Draft Statement of Accounts 2015/16

C – Annual Governance Statement with changes highlighted

Abbreviations:

IFRS – International Financial Reporting Standards

CIPFA – Chartered Institute of Public Finance and Accountancy

IAS - International Accounting Standard