

Report for Information

Report to Audit committee
14 December 2011

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Report of Chief Accountant
Subject Statement of Accounts 2011-12 - Update

Purpose

To advise members of progress on the 2011-12 Statement of Accounts

Recommendations

That members note the progress on the 2011-12 Statement of Accounts and agree a way forward for the accounts to be signed by the chair of this committee and the section 151 officer.

Financial Consequences

The financial consequences of this report are none directly.

Risk Management

The key audit risks are set out in the Annual Governance Report, which is also on this agenda.

Strategic Objective/Service Priorities

The report helps to meet the strategic priority “Aiming for excellence – ensuring the Council is efficient in its use of resources, is effective in delivering its plans, is a good employer and communicates effectively with its customers, staff and partners”.

Contact Officers

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Background Documents

Background

1. The Accounts and Audit (England) Regulations 2011 require the responsible financial officer to sign and date the financial statements and certify that it presents a true and fair view by 30 June. The Head of Finance signed the financial statements on 28 July and submitted them to the Audit Commission for audit.
2. Norwich City Council, along with all local authorities and police authorities, were required to prepare their financial statements in line with International Financial Reporting Standards (IFRS) for the first time in 2010/11. IFRS requirements differ significantly in several respects from UK Generally Accepted Accounting Practice (UK GAAP) which authorities have prepared their financial statements under previously.

IFRS adoption has been a significant exercise because the CIPFA Code requires retrospective adoption of the new standards covering areas such as leases, and the recognition of grant income and balances.

3. IFRS implementation has also created significant pressure on resources for councils due to the need for additional disclosures relating to the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 based on International Financial Reporting Standards (the Code).
4. The deadline for signing off the audited accounts was 30 September 2011.
5. At 6 December the Council is working with the Audit Commission to resolve outstanding issues and produce the final Statement of Accounts for 2010/11.
6. A revised Statement of Accounts will be tabled at the Audit Committee on 14 December 2011.