

**Report to** Audit committee  
28 June 2016  
**Report of** Chief finance officer  
**Subject** Statement of accounts 2015-16

**Item**

**7**

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**Purpose**

This report presents the formal unaudited draft Statement of accounts, which are due to be authorised by the chief finance officer on 21 June 2016.

**Recommendation**

The committee is asked to review the draft Statement of accounts 2015-16.

**Corporate and service priorities**

The report helps to meet the corporate priority value for money services.

**Financial implications**

This report has no direct financial consequences however it does refer to the performance of the council and the provision of value for money services.

**Ward/s: All**

**Cabinet member:** Councillor Stonard, resources and business liaison

**Contact officers**

Justine Hartley, chief finance officer 01603 212440

Philippa Dransfield, chief accountant 01603 212562

**Background documents**

None

## **Report**

### **Background**

1. The unaudited draft Statement of accounts, appended to this report, are expected to be authorised by the chief finance officer on 21 June 2016. It is a requirement of the Accounts and Audit Regulations 2011, that the chief finance officer authorises the draft statement of accounts by 30 June each year. There is no requirement for members of the committee to review and/or approve the unaudited Statement of accounts; however it is good practice.
2. This version of the statement of accounts will be audited and may be amended/adjusted in line with audit findings, together with any changes in circumstances identified by council officers.

### **Statement of accounts**

#### ***Presentation***

3. The format used for the statement of accounts is set out in the Code of Practice (CoP) on Local Authority Accounting in the United Kingdom (supported by International Financial Reporting Standards (IFRS)), and includes a full balance sheet and statement of cash flow movements.
4. The classification of services in the Comprehensive income and expenditure statement does not align with internal management arrangements and officer structures, and therefore our management accounts. The statement of accounts has to conform instead to the service classification required by CIPFA's Service Reporting Code of Practice (SeRCOP). Some information is however readily recognisable from the normal management accounts reported to Cabinet. Nevertheless both sets of accounts reconcile to each other and it is the statement of accounts on which the audit opinion is given. A reconciliation showing how the overall results within the Statement of accounts differ from that reported within the budget monitoring outturn report is provided in Note 31 of the statement of accounts.

### **Draft annual governance statement 2015-16**

5. The draft Annual governance statement 2015-16 has been reviewed by the corporate leadership team and the Leader of the Council and is on the agenda for this audit committee meeting for review by the committee. As with the Statement of the accounts, this version of the Annual governance statement is draft and will be audited and may be amended / adjusted in line with audit findings, together with any changes in circumstances identified by council officers.

### **Statement of accounts 2015-16**

6. The Regulations require that the audited Statement of accounts and the Annual governance statement are approved by the end of September and the approved documents signed by the chair of the audit committee after the meeting and by the end of September. The audit committee will therefore

consider the audited Statement of accounts 2015-16 and Annual governance statement 2015-16 at its meeting on 20 September 2016.