

## AUDIT & GOVERNANCE COMMITTEE

24<sup>th</sup> September 2015

### REPORT OF THE EXECUTIVE DIRECTOR CORPORATE SERVICES

#### ANNUAL STATEMENT OF ACCOUNTS & REPORT 2014/15

#### EXEMPT INFORMATION

None

#### PURPOSE

To approve the Statement of Accounts (the Statement) for the financial year ended 31<sup>st</sup> March 2015 following completion of the external audit.

#### RECOMMENDATION

**That Members approve the Annual Statement of Accounts 2014/15**

#### EXECUTIVE SUMMARY

As part of the annual audit process for 2014/15, the Council's external auditors, Grant Thornton, have prepared their Audit Findings Report (to be considered separately on this agenda) for consideration prior to issue of their opinion, conclusion & certificate.

Following identification as part of the audit, a small number of minor amendments have been discussed & agreed with the Audit Commission. These have been actioned within the Final Statement of Accounts for 2014/15 as attached at **Appendix 1**. It is important to note that these adjustments relate to minor presentational or disclosure issues and do not have any impact on the reported outturn position and net balances of the General Fund, Housing Revenue Account or Collection Fund.

Regulations require the Chair of the Cabinet meeting to sign and date the Statement of Accounts with the intention that the Chair's signature formally represents the completion of the Council's approval process of the accounts.

#### RESOURCE IMPLICATIONS

For 2014/15, a revenue budget underspend for the General Fund of £1.5m is reported with an increase in General Fund closing balances of £0.3m. The Housing Revenue Account reports an underspend of £1.5m with an increase in Housing Revenue Account closing balances of £0.5m.

It should be noted that the Medium Term Financial Strategy, approved in February 2015, identified estimated balances of £3.8m (at 1<sup>st</sup> April 2015) compared to the draft actual closing balances of £4.9m - additional balances of £1.1m.

For the HRA balances of £4.9m were forecast at 1<sup>st</sup> April 2015 compared to the actual balances of £6.0m - additional balances of £1.1m.

Balances above the minimum will be required to provide additional funds for uncertainties regarding future Government funding arrangements.

The outturn for the 2014/15 capital programme identifies an underspend of £6.6m against the approved budget of £12.2m (actual spend £5.6m - no change since Provisional Outturn). However, it has been requested that £3.9m of scheme spend be re-profiled into 2015/16. This will result in an overall underspend of £2.7m for the 2014/15 capital programme.

## **LEGAL / RISK IMPLICATIONS**

Current legislation, detailed in Accounts and Audit (England) Regulations 2011, requires a Committee of the Council to approve the Statement by 30<sup>th</sup> September and for the Council to publish the Statement together with the Auditors opinion by 30<sup>th</sup> September 2015.

## **SUSTAINABILITY IMPLICATIONS**

None

## **CONCLUSIONS**

Following consideration of the External Auditors Audit Findings Report and the approval of the Annual Statement of Accounts, the Chair's signature formally represents the successful completion of the Council's approval process of the accounts for 2014/15.

## **REPORT AUTHOR**

Stefan Garner, Director of Finance

## **LIST OF BACKGROUND PAPERS**

Capital Outturn Report 2014/15 - Cabinet, 18<sup>th</sup> June 2015  
Performance Healthcheck (including Provisional Outturn Report 2014/15) - Cabinet, 18<sup>th</sup> June 2015  
Draft Annual Statement of Accounts & Report 2014/15 - Audit & Governance Committee, 25<sup>th</sup> June 2015