

AUDIT & GOVERNANCE COMMITTEE

22nd September 2016

REPORT OF THE EXECUTIVE DIRECTOR CORPORATE SERVICES

ANNUAL STATEMENT OF ACCOUNTS & REPORT 2015/16

EXEMPT INFORMATION

None

PURPOSE

To approve the Statement of Accounts (the Statement) for the financial year ended 31st March 2016 following completion of the external audit.

RECOMMENDATION

That Members approve the Annual Statement of Accounts 2015/16

EXECUTIVE SUMMARY

As part of the annual audit process for 2015/16, 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 to the Draft, presented to the Audit & Governance Committee on 30th June 2016, have been discussed & agreed with the Audit Commission. These have been actioned within the Final Statement of Accounts for 2015/16 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 2015/16, a revenue budget underspend for the General Fund of £1.9m is reported with an increase in General Fund closing balances of £1.8m. The Housing Revenue Account reports an underspend of £1.8m with a reduction in Housing Revenue Account closing balances of £1.2m.

It should be noted that the Medium Term Financial Strategy, approved in February 2016, identified estimated balances of £5.3m (at 1st April 2016) compared to the actual closing balances of £6.7m - additional balances of £1.4m.

For the HRA balances of £3.3m were forecast at 1st April 2016 compared to the actual balances of £4.7m - additional balances of £1.4m. Balances above the minimum will be required to provide additional funds for uncertainties regarding future Government funding arrangements.

The outturn for the 2015/16 capital programme identifies an underspend of £10.1m against the approved budget of £16.3m (actual spend £6.1m - no change since Provisional Outturn). However, it was requested that £9.5m of scheme spend be re-profiled into 2016/17. This resulted in an overall underspend of £0.6m for the 2015/16 capital programme.

LEGAL / RISK IMPLICATIONS

Current legislation, detailed in Accounts and Audit (England) Regulations 2015, requires a Committee of the Council to approve the Statement by 30th September 2016 and for the Council to publish the Statement together with the Auditors' opinion by 30th September 2016.

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 2015/16.

REPORT AUTHOR

Stefan Garner, Director of Finance

LIST OF BACKGROUND PAPERS

Capital Outturn Report 2015/16 - Cabinet, 16th June 2016
Performance Healthcheck (including Provisional Outturn Report 2015/16) - Cabinet, 16th June 2016
Draft Annual Statement of Accounts & Report 2015/16 - Audit & Governance Committee, 30th June 2016