

STATEMENT OF ACCOUNTS 2014-15

1 Purpose

- 1.1 Following on from the report to the July meeting of the Audit Committee on the draft statement of accounts, this report updates the members on the audit process and advises the committee of the changes that have been made to the accounts in accordance with the auditor's recommendations.
- 1.2 If the committee is satisfied with the revised accounts and that the auditor's comments have been correctly responded to, they are required to authorise the Chairman to sign on them on the Committee's behalf, together with the Director with Responsibility for Finance, in order to comply with the 30th September's statutory deadline.

2 Recommendations/for decision

- 2.1 Members of the committee are requested to consider the final Statement of Accounts for 2014-15 (Appendix A) and
- 2.2 If satisfied with the position they present, after considering the auditor's comments, they are recommended to authorise the Chairman to sign them on the Committee's behalf.
- 2.3 Delegate the authority to the Director with Responsibility for Finance, in consultation with the Chair or Vice Chair of the Committee, to make such changes as considered necessary to achieve sign off by the statutory 30th September deadline.

3 The Accounts Approval Process

- 3.1 The Accounts and Audit Regulations state that the members should only approve the accounts when they have been made aware of the findings of the audit and hence make a better informed decision.
- 3.2 The auditor's comments and findings arising from their audit work over the last three months are reported in the Audit Results Report, which appears prior to this report on the agenda.
- 3.3 If the auditors have still not completed their work by the date of the meeting it is requested that the Committee delegate to the Head of Finance, in consultation with the Chair or Vice Chair, the ability to make such changes to the accounts that are considered necessary in order to achieve the statutory 30th September deadline.
- 3.4 A couple of amendments have been made to the accounts to revise misstatements and to better explain the nature of certain financial transactions to the reader.
- 3.5 The changes made to the accounts between the draft submitted for audit and this version are reported in the next section.

4 Changes / Revisions to the Accounts

- 4.1 During the course of the audit it was identified that the information produced by the fixed asset register package to reflect the movements during the year was producing an incorrect treatment of the figures. The figures relating to the revaluation of the Community Centres and Hampden House car park have

been amended to show the correct position within the income and expenditure account and the revaluation reserve.

- 4.2 The net book value of the fixed assets remains unchanged to that presented to the July meeting. The effect of the adjustments is shown in the Income and Expenditure account, the MIRs and the revaluation reserve. This results in a reduction of £823,000 to the revaluation reserve. The overall year end position remains the same with the contribution to balances being £135,703.
- 4.3 The supplier of the fixed asset register software is currently working on correcting the reporting error and at the time of writing no fix had been supplied.
- 4.4 The other change that has been to the accounts was a re-classification of an external loan of £5.017 million from long term borrowing to short term borrowing as it is due for repayment in December 2015.
- 4.5 Under the financial instruments note 17.1, the ALUTS (Aylesbury Land Use and Transport Strategy) amount did not meet the definition of a financial instrument and so has been removed from the note.
- 4.6 In the Related Party Transactions note of draft statement of accounts submitted to the committee in July there were a number of members listed as having not returned their disclosure return. Since that meeting all but two of the current members have completed their disclosures. Completion of these disclosures is an audit requirement and as a result of the delays experienced this year this area has been highlighted by the auditors in their audit report.
- 4.7 While the Council can choose whether it wishes to make amendments to its draft accounts for non-material errors or misstatements, the view this year has been that it will reflect all errors or misstatements in the accounts that are raised by external audit.
- 4.8 There is a requirement to report significant events that occur after the balance sheet date and before the sign off date. Since the committee in July, there have been no significant events that require reporting in the accounts.

5 Reasons for Recommendation

- 5.1 The Accounts and Audit Regulations require that the Statement of Accounts are formally signed off by the Chair of the Audit Committee and the Director responsible for Finance by the 30th September each year.

6 Resource implications

- 6.1 These are covered within the body of the report.

7 Response to Key Aims and Objectives

- 7.1 None directly, although proper financial reporting and management will help with the delivery of the Authority's Key Aims and Outcomes.