

**CHILTERN DISTRICT COUNCIL
AUDIT AND STANDARDS COMMITTEE – 25 SEPTEMBER 2014**

Background Papers, if any, are specified at the end of the Report

FINAL 2013/14 STATEMENT OF ACCOUNTS

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RECOMMENDATION

That the Final 2013/14 Statement of Accounts be approved by the Audit and Standards Committee and signed in accordance with the Accounts and Audit Regulations.

Background

1. Each year the Authority is required to produce a formal Statement of Accounts document in accordance with the Accounts and Audit Regulations. These Accounts must:
 - follow the format laid out in the Accounting Code of Practice – which is based on International Financial Reporting Standards (IFRS);
 - be approved by the Council's s151 senior finance officer by 30 June;
 - be subject to external audit;
 - be made available to the public for inspection;
 - be considered and approved by Members by 30 September; and
 - be published by 30 September.

Discussion

2. The Audit Committee reviewed the draft 2013/14 Statement of Accounts at their meeting on 1 July 2014.
3. Since then a number of amendments have been made to the Accounts as a result of:
 - Requests for further explanation / clarification to be added to explain some of the figures.
 - Minor typos being corrected.
 - Errors identified during the course of the external audit being corrected.

4. Only one significant change has been made. This relates to the valuation of the leisure centres as follows.
5. The Council revalued its Land and Buildings on 1 April 2011. However the valuations provided by the valuer for the leisure centre were incorrect in that they included an amount for financing charges, whereas the Code of Practice requires these to be valued on an 'instant build' basis.
6. This has resulted in the Council's three main leisure centres being overvalued since 1st April 2011. This error has now been corrected by way of a prior period adjustment primarily:
 - Reducing the value of the fixed assets as at 1st April 2011 by £1,202,000
 - Reducing the value of the revaluation reserve as at 1st April 2011 by £1,202,000
 - Reducing the annual charge for depreciation by £34,000.
7. In addition the £2.447m actuarial loss on the CDC element of the Bucks Pension scheme is still being investigated, to ensure this is correct. Members will be updated at the meeting on this issue.
8. Appendix 1 provides the Final Accounts document. All the changes made are highlighted in red.

Auditors' Report

9. In accordance with the Accounts and Audit Regulations the Authority's external auditors, Ernst & Young, are required to audit the Accounts to ensure that they present fairly the financial position of the Authority. Once their audit is completed they issue a formal opinion on the Accounts and this has to be included in the Accounts.
10. The External Audit now been substantially completed and the Audit Results Report is included as appendix 2.

Formal Approval of Accounts

11. The Accounts and Audit Regulations require the Chairman of the Committee receiving the accounts to sign and date the Accounts to formally represent completion of the Authority's approval process.
12. The Chairman of the Audit and Standards Committee is therefore requested to sign the declaration in the financial statements once Members have considered the revised Accounts.