

Accounts, Audit and Risk Committee

Statement of Accounts 2011/12

19 September 2012

Report of the Head of Finance

PURPOSE OF REPORT

The purpose of this report is to obtain official sign-off by the Chief Financial Officer and the Chairman of Accounts, Audit and Risk Committee the audited Statement of Accounts 2011/12.

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| This report is public |
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Recommendations

The Accounts, Audit and Risk Committee is recommended:

- (1) to approve the amendments to the 2011/12 financial statements detailed in Appendix 1
- (2) subject to reviewing the contents of the Annual Governance Report (separate agenda item) approve the 2011/12 financial statements (Appendix 2)
- (3) to note the 2011/12 Annual Report and Summary of Accounts is currently being prepared.

Executive Summary

1.1 Introduction

The preliminary "subject to audit" Statement of Accounts 2011/12 was reported to the Committee at its meeting on 27th June 2012.

When the council's Technical Accountant resigned in October 2011 no replacement was recruited in light of the proposed restructure within Finance and the provision of a joint service with South Northants Council.

The closedown process for 2011/12 has therefore been completed using the remaining resources available and additional technical support from Edward Cooke (Price Waterhouse Coopers). The resulting Financial Statements are however of a high quality and we continue to improve from one year to the next.

You will see that the changes required as detailed in Appendix 1 ,from the preliminary “subject to audit “ version circulated on 27th June , are primarily presentational and where process improvements have been identified they will be incorporated next year.

At the time this report is being written it is expected that the Statement of Accounts will receive an unqualified audit opinion.

In-line with reporting requirements to Communities & Local Government, we have to submit an annual Whole of Government Accounts return. As in previous years, this year we had to submit a draft return which reflected our ‘subject to audit’ accounts by 30th July 2012. We met this deadline.

A final version of this return is then submitted by the Audit Commission after the issue of their audit opinion and before the deadline of 1st October 2012.

1.2 Changes from the Statement of Accounts "Subject to Audit" 2011/12

A schedule has been maintained of all changes made since the June draft accounts and is included in Appendix 1. A full detailed audit trail is available for Member’s inspection.

1.3 Audit Opinion

The Auditor’s Annual Governance Report, which includes issues relating to the Financial Statement 2011/12 and opinion on Value for Money is included elsewhere on the agenda.

At the time of writing this report it is anticipated that an unqualified audit opinion will be given shortly and within the 30th September 2012 deadline. This opinion will then be included within the published Statement of Accounts.

The accounts reviewed by the Accounts, Audit and Risk Committee on 27th June 2012 were made available for audit supported by detailed working papers. In the same way as the previous years accounts, we were able to provide all of the working papers electronically to the auditors on the first day of the audit. This was seen as a success last year and aided the auditors process considerably.

1.4 Letter of Representation

The Audit Commission require a Letter of Representation signed by both the Chairman of this Committee, Councillor Trevor Stevens, and the Chief Financial Officer, Martin Henry as part of their standard close down procedures.

The draft letter is attached as an Appendix in the Auditor’s Annual Governance Report and will be signed at the meeting.

Implications

- Financial:** There are no financial issues arising from this report. The costs of publishing the financial publication are funded from within existing resources.
Comments checked by Karen Muir, Corporate System Accountant 01295 221559.
- Legal:** The Council must ensure its financial statements are prepared in accordance with the Code of Practice on Local Authority Accounting guidelines and available for publication by September 30 2012.
Comments checked by Karen Muir, Corporate System Accountant 01295 221559.
- Risk Management:** There are no risks arising directly from the approval of the Statement of Accounts 2011/12.
Comments checked by Karen Muir, Corporate System Accountant 01295 221559.

Wards Affected

All

Document Information

| Appendix No | Title |
|--|---|
| Appendix 1 | Audit Trail of Changes 2011/12 – to follow |
| Appendix 2 | Statement of Accounts 2011/12 – to follow |
| Background Papers | |
| 27 th June 2012 AARC Papers Audit Working Papers | |
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