

**REPORT OF: FINANCIAL SERVICES MANAGER**

**TO: ACCOUNTS AND AUDIT COMMITTEE**

**DATES: 28<sup>th</sup> July 2016**

**Contact Details:** Vince Green  
**Tel. No:** 01282 661867  
**E-mail:** vince.green@pendle.gov.uk

## **Statement of Accounts 2015/16**

### **PURPOSE OF REPORT**

1. The purpose of this report is to present for approval the Statement of Accounts for 2015/16. At the time of writing this report the audit undertaken by Grant Thornton is substantially complete. The accounts submitted with this report include any amendments arising from the work of External Audit as at the 19th July.

### **RECOMMENDATIONS**

2. The Committee is recommended to approve the Statement of Accounts for 2015/16.

### **ISSUE**

#### Introduction

3. The draft (pre-audit) accounts were completed and published on the Council's website in mid-June. Grant Thornton commenced their on-site audit of the accounts in the week commencing 27<sup>th</sup> June and this work is nearing completion. The Statement of Accounts submitted with this report reflects all changes agreed with Grant Thornton as at the 19<sup>th</sup> July. Any new matters arising prior to the Committee will be reported verbally at the meeting.
4. At the time of writing this report no changes have been required to the core statements. The amendments requested thus far relate to the following disclosures:
  - Note 5A Fair Value Measurement (page 53) - additional wording added to clarify that the Council's surplus assets within plant, property and equipment have been valued under Level 2 of the fair value hierarchy;
  - Note 22 Cashflow Investing Activities (page 68) – replacement of net figures for the value of short-term investment activity with gross figures identifying separate amounts for the purchase of, and proceeds from, short-term investments;
  - Note 29 Related Parties (page 75) - additional wording to enhance the disclosures in relation to the Council's relationship with PEARL entities, Housing Pendle and Pendle Leisure Trust.

5. Details of the formal audit findings are presented in a separate report from Grant Thornton which is included elsewhere on the agenda for this meeting.
6. The period for public inspection of the accounts commenced from the 16<sup>th</sup> June and ended on the 27<sup>th</sup> July. Under the Accounts and Audit Regulations 2015 (regulation 9(2)), the Council must, following the conclusion of the period for the exercise of public rights, in the following order:
  - (a) *consider, either by way of a committee or by the members meeting as a whole, the statement of accounts;*
  - (b) *approve the statement of accounts by a resolution of that committee or meeting;*
  - (c) *ensure that the statement of accounts is signed and dated by the person presiding at the committee or meeting at which that approval is given.*
7. The Statement of Accounts is attached at **Appendix A** for approval. The Financial Services Manager, as the Council's responsible financial officer, has re-certified the accounts confirming that the statement of accounts presents a true and fair view of:
  - (a) *the financial position of the authority at the end of the financial year to which it relates; and*
  - (b) *the authority's income and expenditure for that financial year.*
8. Subject to the Committee's approval and receipt of the Auditor's Opinion, the accounts will be published on the Council's website shortly after this meeting. The statement of accounts also includes the Annual Governance Statement and Narrative Statement, both of which are required to be published together with the financial statements.
9. Once confirmation has been received from Grant Thornton that the audit has been completed, a 'Notice of Conclusion of Audit' will be published. This will explain that the audit of the Council's accounts has been completed and state where the accounts and auditor's report can be inspected.
10. The Committee will be aware that the accounts for 2015/16 have been prepared and audited earlier than in previous years. It is normally the September meeting when the accounts get presented for approval. This earlier completion has been in response to legislative changes which, from the 2017/18 financial year, will require councils to publish their draft accounts by the end of May and publish their audited accounts by the end of July each year.
11. In preparation for this we aimed to complete the 2015/16 accounts by mid-June. This was achieved and we will aim to complete the 2016/17 accounts by the end of May 2017. This would not be possible without the hard work and support of team members within Finance assisted by colleagues across the Council and I am grateful to them all for their support.

## **IMPLICATIONS**

### **Policy**

12. There are no policy implications arising directly from the contents of this report

### **Financial**

13. The financial implications are as given in the report and Statement of Accounts.

### **Legal**

10. The Accounts and Audit Regulations 2015 currently require the Council to approve and publish its audited Statement of Accounts by the 30th September each year. Councillor's approval of the accounts at this meeting will allow us to satisfy this requirement.

## **Risk Management**

11. There are no risk management implications arising directly from the contents of this report.

## **Health and Safety:**

12. There are no Health and Safety implications arising directly from the contents of this report.

## **Climate Change:**

13. There are no climate change implications arising directly from this report.

## **Community Safety:**

14. There are no community safety issues arising directly from the contents of this report.

## **Equality and Diversity:**

15. There are no equality and diversity issues arising from the contents of this report.

## **APPENDICES**

[Appendix A](#) - Statement of Accounts 2015/16

**LIST OF BACKGROUND PAPERS:** Final Accounts working papers for 2015/16 held by Accountancy.