

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Audit and Corporate Governance Committee

21 October 2016

AUTHOR/S: Executive Director (Corporate Services)

APPROVAL OF THE 2015-16 STATEMENT OF ACCOUNTS

Purpose

1. To approve the amended 2015-16 Statement of Accounts and to discuss and agree the letter of representation.
2. This is not a key decision but is a legal and auditing requirement.

Recommendations

3. That the 2015-16 Statement of Accounts is approved and, the letter of representation is discussed and agreed.

Reasons for Recommendations

4. It is a legal requirement under the Accounts and Audit (England) Regulations 2011 for the Statement of Accounts to be considered and approved no later than 30 September. Due to the audit of accounts not being completed by the required date this meeting is being held for that approval.
5. It is an auditing requirement under International Auditing Standard (UK and Ireland) 580 for the letter of representation to be discussed and agreed by those charged with governance.

Background

6. The Statement of Accounts 2015-16 (subject to audit) was certified by the Executive Director (Corporate Services) as the Council's responsible financial officer and noted by this Committee on 24 June 2016.

Considerations

7. South Cambs Limited, a wholly owned subsidiary of South Cambridgeshire District Council, began trading on 1 April 2014. As an independent but wholly owned subsidiary and in accordance with proper practices as set out in the Chartered Institute of Public Finance and Accountancy Code of Practice; the Council has prepared group accounts to show the overall financial position and results of the District Council. For the purposes of these accounts transactions between the parent entity and subsidiary are excluded and the remaining transactions of both organisations consolidated in group statements.
8. Ernst and Young LLP were appointed as auditors for South Cambs Limited for the financial period ended 31 March 2016; the audit is now concluded with the tax calculation underway, an unqualified opinion is expected. The company accounts are included for information as Appendix A.

9. The results of the audit of the Councils accounts are now known and are set out in the Auditor's Audit Committee Summary Report, which is a separate item on this agenda. The amendments to the statements and disclosures, notified by the auditors by the 14 October have been included in the final version of the statement of accounts, Appendix B. The Council has received an unqualified opinion.
10. The letter of representation is included as Appendix C to this report. This needs to be discussed and agreed by this Committee and then signed by the Executive Director (Corporate Services) as the Council's responsible financial officer.

Options

11. None.

Implications

12.	Financial	Members were informed of the balances, i.e. how much money we have got to spend in the future, in the weekly bulletin of 20 July 2016. These were the balances on the General Fund, Housing Revenue Account and Capital account as at 31 March 2016 as set out in the draft Statements of Accounts. The audit of the accounts has reviewed these balances, and confirmed the balances as shown in the Statement of Accounts.
	Legal	None
	Staffing	None
	Risk Management	There is a reputational risk to the Council if the accounts cannot be agreed with the Auditors and issued with an unqualified audit opinion
	Equality and Diversity	None
	Equality Impact Assessment completed	No Not applicable
	Climate Change	None

Consultations

13. None.

Consultation with Children and Young People

14. None.

Effect on Strategic Aims

15. The amended Statement of Accounts confirms the balances available for inclusion in the medium term financial strategy.

Conclusions / Summary

16. None.

Background Papers: the following background papers were used in the preparation of this report:

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