

Committee: Performance & Audit

Agenda Item

Date: 15 August 2013

6

Title: 2012/13 Draft Statement of Accounts

**Author: Stephen Joyce
Assistant Chief Executive – Finance
Margaret Donaldson
Accountancy Manager**

Item for information

Summary

1. At its meeting on 26 September 2013, the Committee will be requested to approve the audited Statement of Accounts for 2012/13, along with the External Auditor's Annual Governance Report.
2. To familiarise Members with the issues, the draft Statement of Accounts is presented to tonight's meeting. The draft Statement was published on 28 June and is consistent with the outturn results approved by Cabinet on 20 June.
3. At the meeting officers will draw Members' attention to the key issues in the accounts, and Members have an opportunity to ask questions. Officers shall also be pleased to meet with individual Members separately to discuss the accounts.
4. There are no significant changes to the format and content of the accounts this year. Members' attention is drawn to the 'Significant Matters' and 'Key Results' sections of the Explanatory Foreword (pp 4-12).
5. The external audit of the accounts is in progress. As at 2 August the following are the early findings of the audit (all subject to confirmation):
 - No issues or adjustments as yet identified that affect the Council's usable reserves or reported outturn position (this situation may change).
 - Preliminary testing of benefits claims indicating that of 25 random claims examined, 2 were found to contain errors. Additional testing will be needed to extrapolate an estimate of the net over- or under-payment. This sum is not expected to be material for the 2012/13 accounts, but there may be issues for the subsidy claim.
6. The final audited accounts, together with the external audit report of confirmed issues arising, will be presented to the Committee on 26 September.
7. At time of writing, 2 Members had not completed their Related Party Declaration forms, despite several reminders. This could pose a risk to the audit process.

Recommendations

8. The Committee is recommended to:
 - a. review the draft Statement of Accounts for 2012/13
 - b. identify any additional information or assurance that would assist with the Committee's approval of the Accounts at the September meeting.

Financial Implications

9. No direct financial implications.

Background Papers

None.

Impact

Communication/Consultation	No direct implications
Community Safety	No direct implications
Equalities	No direct implications
Health and Safety	No direct implications
Human Rights/Legal Implications	No direct implications
Sustainability	No direct implications
Ward-specific impacts	No direct implications
Workforce/Workplace	No direct implications

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The auditor is unable to issue an unqualified opinion on the accounts due to unresolved errors and delays completing the audit.	1	4	Continuous liaison with the External Auditors to identify areas of concern early and remedy the issues effectively.