

**WILTSHIRE COUNCIL
AUDIT**

27 JULY 2016

WILTSHIRE COUNCIL: STATEMENT OF ACCOUNTS 2015/2016

Purpose of Report

1. To present the Statement of Accounts in respect of the 2015/2016 financial year for Wiltshire Council.

Policy Considerations

2. The Council is required to prepare an annual Statement of Accounts and to arrange for them to be audited and reported in accordance with the Accounts and Audit Regulations 2015, and the 2015/2016 Code of Practice on Local Authority Accounting in the United Kingdom, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).

Background and Introduction

3. The Code of Audit Practice (issued by the Audit Commission) and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom set out the requirements for the production and publication of the annual Statement of Accounts.
4. The draft Statement of Accounts are required to be certified by the Chief Finance Officer within three months of the financial year end (by 30 June 2016). At Wiltshire Council the Chief Finance Officer is the Associate Director, Finance.
5. The draft Statement of Accounts are then subject to external audit by the Council's appointed auditors (KPMG) before the final set is brought to the Audit Committee for final approval by 30 September 2016. This adoption process ensures that there is external independent scrutiny of the figures in the Statement of Accounts before they are brought to the Audit Committee. Under the constitution, in Wiltshire the Statement of Accounts are adopted by the Audit Committee.
6. KPMG are required to report on any amendments from the draft Statement of Accounts as part of the submission of the final version to the Audit Committee. This is elsewhere on the agenda. The full report on issues arising from this audit is included in the ISA 260 report to those charged with governance. This report should be read in light of this document and the proposal is subject to any issues arising from this report.
7. The Statement of Accounts is attached as Appendix A.

Key Issues Arising

8. The draft accounts were signed by the Chief Finance Officer on 27 May 2016, well ahead of the statutory deadline of 30 June 2016. KPMG started the year end audit on 6 June 2016. The draft accounts were taken to Cabinet on 14 June 2016.
9. The final outturn on the General Revenue Fund reported to Cabinet on 14 June 2016 was a underspend of £0.066 million. This resulted in a total return to reserves for the General Revenue Fund of £0.059 million, after £0.007 million extra funding variances. Further details of this were reported to Cabinet on 14 June 2016 in the Revenue Outturn Report.
10. The Housing Revenue Account outturn position is an underspend of £0.820 million, which gives a final return to reserves of £2.317 million.
11. The Comprehensive Income & Expenditure Statement summarises the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from local taxation. Authorities raise taxation to cover expenditure in accordance with regulations. This is different from the accounting cost. The Movement in Reserves Statement reflects the true cost to council tax payers of services provided.
12. The deficit on the provision of services in the Comprehensive Income and Expenditure Statement is adjusted by various technical adjustments between the accounting basis and funding basis under regulations, as well as taking into account transfers to/from earmarked reserves. In this way, the expenditure in the outturn report reconciles to the deficit on provision of services. More details are given in notes 9 and 10 of the Statement of Accounts.

Overview and Scrutiny Engagement

13. There is a 30 working day public inspection period where interested parties may come in inspect the accounts.

Safeguarding Implications

14. None have been identified as arising directly from this report.

Public Health Implications

15. None have been identified as arising directly from this report.

Procurement Implications

16. None have been identified as arising directly from this report.

Equalities Impact of the Proposal

17. None have been identified as arising directly from this report.

Environmental and Climate Change Considerations

18. None have been identified as arising directly from this report.

Risk Assessment

19. None.

Financial Implications

20. There are no direct financial implications associated with this report.

Legal Implications

21. There are no direct legal implications associated with this report.

Recommendations

22. That Cabinet receives and notes the Statement of Accounts for 2015/2016.

Reason for Recommendations

23. The Cabinet are aware of the Statement of Accounts for 2015/2016.

MICHAEL HUDSON

Associate Director, Finance

REPORT AUTHOR
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The following unpublished documents have been relied on in the preparation of this report:

Appendices:

Appendix A

Draft Statement of Accounts 2015/2016