

**WILTSHIRE COUNCIL
AUDIT COMMITTEE**

31 JULY 2014

WILTSHIRE COUNCIL: STATEMENT OF ACCOUNTS 2013/2014

Purpose of Report

1. To present the Draft Statement of Accounts in respect of the 2013/2014 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 2013, and the 2013/2014 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 Audit Commission Act 1998, 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 regulations for the adoption of the Statement of Accounts do not require for Members to adopt the draft Statement of Accounts. 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 2014). The Statement of Accounts are then subject to external audit by the Council's appointed auditors (KPMG) before the final set is brought to Members for final approval by 30 September 2014.
5. This adoption process ensures that there is external independent scrutiny of the figures in the Statement of Accounts before they are brought to Members. KPMG are required to report on amendments from the draft Statement of Accounts submitted for audit to the final version presented to Members. This report is elsewhere on the agenda.
6. The Statement of Accounts is attached as Appendix A.

Key Issues Arising

7. The final outturn on the general fund reported to Cabinet on 17 June 2014 was an underspend of £0.397 million. This resulted in a total draw from reserves for the General Fund of £0.777 million, after an approved draw from reserves of £1.400 million and £0.226 million extra Government grant. Further details of this were reported to Cabinet on 17 June 2014 in the Revenue Outturn Report.
8. 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.
9. 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.
10. These draft accounts are open for inspection for the general public from 6 August 2014 to 2 September 2014. The committee is requested to delegate signing of the accounts to the Chairman of the Audit Committee and the Associate Director, Finance pending the outcome of the inspection period, if there were any issues we would bring the accounts back to the September Audit Committee.

Risk Assessment

11. There are no direct risk implications associated with this report.

Equality and Diversity Impact of the Proposal

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

Environmental Impact of the Proposal

13. There are no direct environmental implications associated with this report.

Financial Implications

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

Legal Implications

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

