

Annual Statement of Accounts 2016/17

Committee: Audit Committee

Date: 13 September 2017

Author:	Director of Finance
Wards:	All
Locality Affected:	All
Parishes Affected:	All

1. Purpose and Reasons

- 1.1 This report presents the 2016/17 Statement of Accounts and the outcome of the audit of the financial statements.
- 1.2 The audit committee is the designated body for approval of the Council's final accounts.

2. Recommendations

The Committee is recommended to:

- 2.1 Consider the content of this report, the attached Statement of Accounts, and separate report of the External Auditors.
- 2.2 Approve the Statement of Accounts for 2016/17.

3. Detail

Statutory Deadlines

- 3.1 Under statutory requirements the draft annual accounts for 2016/17 required authorisation by the Council's Section 151 Officer (S151) by 30 June 2017 and Audit Committee finalisation by 30 September. From 2017/18 the draft accounts must be authorised by the S151 Officer by the 31 May and by the Audit Committee by 31 July.
- 3.2 In completing the statement of accounts for 2016/17 the draft accounts were signed off a month earlier than required, by the 31 May. This means completion of the statements, and increased review of working papers over prior years, has taken place within the new statutory dates.
- 3.3 In achieving the new deadline a year early and moving into the audit stage earlier, awareness has arisen of other factors that will now require review, for example:
 - 3.3.1 Revision to the working paper process for some disclosures to provide greater detail for audit up front,
 - 3.3.2 Updates to standard reports to analyse system data in new ways to aid audit reconciliation and sampling,

Further information on the subject of this report can be obtained from Darren Stevens, Direct Dial 07769 281659, dstevens@swindon.gov.uk.

Annual Statement of Accounts 2016/17

Committee: Audit Committee

Date: 13 September 2017

3.3.3 Simpler consolidation process for group companies where material,

3.3.4 Timescales around staff availability through the audit process and earlier agreement of audit coverage

Key Points from the Audit of the Final Accounts

3.4 The statement of accounts for 2016/17 had changes for the restatement of the CIES (comprehensive income and expenditure statement) and the inclusion of a new statement, the EFA (expenditure funding analysis). These changes are designed to make it easier for the user to follow the amounts reported to Cabinet as outturn through to the amounts included within the CIES. Update has been made to these tables through the audit to improve the presentation.

3.5 Beyond a range of minor adjustments aimed to improve consistency and reduce repetition, the two main changes to figures that have resulted from the audit are:

3.5.1 The reversal of two accruals, which has seen cash and creditor balances reduce by a net £7m, and

3.5.2 The updating of group CIES service balances, where gross expenditure and income were incorrectly linked, but the net position was correct and passed control checks.

3.6 There have been no changes impacting on the balance of the General Fund.

4. Alternative Options

4.1 None – the annual Statement of Accounts is a statutory process.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

5.1 These have been reflected in the body of the report.

Legal and Human Rights Implications

5.2 All legal and human rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

5.3 There are no such direct implications.

Annual Statement of Accounts 2016/17

Committee: Audit Committee

Date: 13 September 2017

Links to One Swindon, Strategic Objectives, Plans and Policies

- 5.4 The effective management of financial resources through robust financial management processes underpins the Council's ability to achieve its plans and priorities.

Diversity Impact Assessment

- 5.5 A Diversity Impact Assessment (DIA) has not been done as this report does not make any new recommendations that would have a detrimental impact on services.

6. Consultees

- 6.1 The Director of Finance (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix 1 – 2016/17 Statement of Accounts