



## RUSHMOOR BOROUGH COUNCIL

# LICENSING AND GENERAL PURPOSES COMMITTEE

*at the Council Offices, Farnborough on  
Monday, 28th September, 2015 at 7.00 pm*

**To:**

Cllr A.M. Ferrier (Chairman)  
Cllr S.J. Masterson (Vice-Chairman)

Cllr R. Cooper  
Cllr Liz Corps  
Cllr A.H. Crawford  
Cllr Barbara Hurst  
Cllr B. Jones  
Cllr A.R. Newell  
Cllr M.D. Smith  
Cllr L.A. Taylor  
Cllr Jacqui Vosper

Enquiries regarding this agenda should be referred to the Committee Administrator,  
Kathy Flatt, Democratic and Customer Services, Tel. (01252 398829) or email  
[kathy.flatt@rushmoor.gov.uk](mailto:kathy.flatt@rushmoor.gov.uk).

# **A G E N D A**

1. **MINUTES – (Pages 1 - 2)**

To confirm the Minutes of the Meeting held on 29th June, 2015 (copy attached).

2. **STATEMENT OF ACCOUNTS AND AUDIT RESULTS REPORT 2014/15 – (Pages 3 - 4)**

To consider the Head of Financial Services' Report No. FIN1517 (copy attached) which seeks approval for the Council's Statement of Accounts and summarises the findings of the Council's auditors, Ernst & Young, in carrying out their audit work in relation to the 2014/15 financial year. A representative from Ernst & Young will be in attendance to present their Audit Results Report 2014/15 (copy attached as Appendix).

## **PUBLIC PARTICIPATION AT MEETINGS**

Members of the public may ask to speak at the meeting on any of the items on the agenda by writing to the Committee Administrator at the Council Offices, Farnborough by 5.00 pm three working days prior to the meeting.

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# LICENSING AND GENERAL PURPOSES COMMITTEE

Meeting held on Monday, 29 June 2015 at the Council Offices, Farnborough at 7.00 pm.

## Voting Members

Cllr A.M. Ferrier (Chairman)  
Cllr S.J. Masterson (Vice-Chairman)

Cllr R. Cooper  
Cllr Liz Corps  
Cllr A.H. Crawford

Cllr B. Jones  
Cllr A.R. Newell  
Cllr M.D. Smith

Cllr L.A. Taylor  
Cllr Jacqui Vosper

An apology for absence was received on behalf of Cllr Barbara Hurst

## 7. MINUTES

The Minutes of the Meeting held on 28th May, 2015 were approved and signed by the Chairman.

## 8. STATEMENT OF ACCOUNTS 2014/15 – DUTIES AND RESPONSIBILITIES

The Committee considered the Head of Financial Services' Report No. FIN1514, which set out the duties and responsibilities of the Committee in respect of the Statement of Accounts.

The Committee was reminded that the Statement of Accounts for 2014/15 had been prepared in line with CIPFA's 'Code of Practice on Local Authority Accounting' for 2014/15, under International Financial Reporting Standards and in accordance with the Accounts and Audit (England) Regulations, 2011. These Regulations required a committee of the Council to consider the Statement after completion of the audit of the accounts and presentation of the auditor's Audit Results Report. CIPFA also recommended that the Statements should be issued in advance of the approval meeting in order to allow sufficient time for due consideration of the information.

The Committee reviewed the Council's unaudited Statement of Accounts, copies of which were circulated at the meeting, to give Members sufficient time for their due consideration ahead of the approval meeting in September, 2015.

The Statement of Accounts 2014/15 consisted of:

- An introduction and summary of significant financial issues during the year (explanatory foreword)
- Statement of responsibilities
- Four key financial statements – Movement in Reserves, Comprehensive Income and Expenditure Statement, Balance Sheet and Cash Flow
- Notes to the core financial statements – including accounting policies
- Collection Fund and accompanying notes

- Auditors' Results Report.

The Head of Financial Services gave a summary of the documents that had been considered by the Committee over recent months in respect of the Council's Statement of Accounts. On the decluttering of the Statement of Accounts, the Committee agreed the reasoning behind the items that had been removed from the Statement.

The Report reminded Members of the various factors which should be borne in mind when considering the accounts. Once these factors had been considered, Members should be satisfied that the accounts represented a true and fair view of the Council's financial position. The Committee was advised of other sources of information and assurance which could be used to help Members approve the accounts. These included:

- The Council's 8-Point Plan
- Internal audit
- The work of the Standards and Audit Committee in considering fraud, risk and internal audit reporting
- Statements of senior officers
- External audit opinion
- Other inspections – HMRC (VAT, PAYE)
- Financial and performance reports
- Members' own knowledge of the affairs of the Council
- The context (eg economic climate, interest rates, property prices, inflation)
- Expert knowledge (eg actuarial reports)

The Head of Financial Services guided the Committee through the draft Statement of Accounts and answered Members' questions. Members asked questions concerning business rates, remuneration and expenses allowances, retirement and replacement dates, the process for decluttering the accounts, access to the audited accounts by members of the public, the work of Internal Audit and the revised Contract Standing Orders. Members felt that the session had been a useful exercise in preparing for the approval of the Statement of Accounts in September. Members were advised that, if required, they could see the Head of Financial Services individually with any questions on the accounts.

**RESOLVED:** That

- (i) the Head of Financial Services' Report No. FIN1514 be noted; and
- (ii) a presentation on the work of Internal Audit be given to the Committee at a future meeting.

The meeting closed at 7.55 pm.

CLLR A.M. FERRIER (CHAIRMAN)

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LICENSING & GENERAL PURPOSES  
COMMITTEE  
28 SEPTEMBER 2015

HEAD OF FINANCIAL SERVICES  
REPORT NO: FIN 1517

**STATEMENT OF ACCOUNTS 2014/15  
&  
AUDIT RESULTS REPORT 2014/15**

**1 INTRODUCTION**

- 1.1 The purpose of this report is to seek Members' approval for the Council's Statement of Accounts for 2014/15 and to draw to the Committee's attention the findings of the Council's auditors, Ernst & Young, in carrying out their audit work in relation to the 2014/15 financial year.

**2 STATEMENT OF ACCOUNTS 2014/15**

- 2.1 The Statement of Accounts for 2014/15 has been prepared in line with CIPFA's 'Code of Practice on Local Authority Accounting' for 2014/15, under International Financial Reporting Standards (IFRS) and in accordance with the Accounts and Audit (England) Regulations 2011.
- 2.2 The regulations require a committee of the Council to consider and approve the Statement and ensure that it is signed by the chairman of the approving committee. Following approval, the Statement must be published by the 30<sup>th</sup> September 2015.
- 2.3 The Statement of Accounts consists of the following sections and is attached at Appendix A.
- Explanatory Foreword
  - Statement of Responsibilities
  - Core Financial Statements – Movement in Reserves, Comprehensive Income and Expenditure, Balance Sheet and Cash Flow.
  - Notes to the Core Financial Statements – including accounting policies
  - Collection Fund and accompanying notes
- 2.4 The Council's Annual Governance Statement, which was approved by Standards and Audit Committee on 2<sup>nd</sup> July 2015, and by Cabinet on 28<sup>th</sup> July 2015, is required to be published alongside the Statement of Accounts and is therefore included in Appendix A.

### **3 AUDIT RESULTS REPORT 2014/15**

- 3.1 The auditors have now completed their audit for the 2014/15 financial year, and their conclusions are summarised in the Audit Results Report, attached at Appendix B.
- 3.2 A summary of the key findings from Ernst & Young are set out in the report and the draft audit opinion is set out at page 66 of the Statement of Accounts.
- 3.3 Ernst & Young have reported that they plan to issue an unqualified opinion on the financial statements and that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

### **4 RECOMMENDATIONS**

- 4.1 It is recommended that the Committee:
  - i) Note the Auditor's Audit Results Report;
  - ii) Approve the financial statements;
  - iii) Approve the letter of representation, and
  - iv) That the Chairman sign the Statement of Responsibilities

**AMANDA FAHEY  
HEAD OF FINANCIAL SERVICES**