

**STATEMENT OF ACCOUNTS 2016/17  
AND  
AUDIT RESULTS REPORT 2016/17**

**SUMMARY:**

The purpose of this report is to seek Members' approval for the Council's Statement of Accounts for 2016/17 and to draw to the Committee's attention to the findings of the Council's auditors, Ernst & Young, in carrying out their audit work in relation to the 2016/17 financial year.

**RECOMMENDATIONS:**

It is recommended that the Committee:

- i) Note the Auditor's Audit Results Report;
- ii) Approve the financial statements for 2016/17;
- iii) Approve the letter of representation, and
- iv) That the Chairman sign page 15 of the Statement of Accounts 2016/17 attached at Appendix A to certify the Committee's approval

**1 STATEMENT OF ACCOUNTS 2016/17**

- 1.1 The Statement of Accounts for 2016/17 has been prepared in line with CIPFA's 'Code of Practice on Local Authority Accounting' for 2016/17, under International Financial Reporting Standards (IFRS) and in accordance with the Accounts and Audit (England) Regulations 2015.
- 1.2 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 30th September 2017.
- 1.3 The Statement of Accounts consists of the following sections and is attached at Appendix A.
  - Narrative Statement
  - 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

- 1.4 The Council's Annual Governance Statement, which receives approval as an earlier item on this agenda of the Licensing and General Purposes Committee will be required to be published alongside the Statement of Accounts by the 30<sup>th</sup> September.

## **2 LETTER OF REPRESENTATION**

- 2.1 The Council provides a letter of representation to the auditors as part of the annual audit process. This is an important factor in enabling the auditor to form his/her opinion as to whether the Statement of Accounts provides a true and fair view of the financial position of the Council.
- 2.2 The text is set out at Appendix C of the Audit Results Report for consideration by the Committee.

## **3 AUDIT RESULTS REPORT 2016/17**

- 3.1 The auditors have substantially completed their audit for the 2016/17 financial year and their conclusions are set out in the Audit Results Report attached at Appendix B.
- 3.2 Ernst and Young have reported that they anticipate issuing an unqualified opinion on the financial statements and that the Council has made proper arrangements to secure economy, efficiency and effectiveness in the use of resources.
- 3.3 There are however some recommendations included in the report to strengthen the Council's governance arrangements in relation to the role of this Committee, a review of the Council's risk management framework and the way the Council reviews the advice received from experts.

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