

WELWYN HATFIELD BOROUGH COUNCIL  
AUDIT COMMITTEE – 25<sup>TH</sup> JULY 2016  
REPORT OF THE DIRECTOR (FINANCE & OPERATIONS)

**2015/16 STATEMENT OF ACCOUNTS**

**1 Executive Summary**

- 1.1 The Statement of Accounts for the financial year 2015/16 is presented for approval by this committee following conclusion of the external audit.
- 1.2 There were no significant changes to the accounting policies for the 2015/16 accounts.
- 1.3 The contents of the accounts are largely determined by statutory requirements and mandatory professional standards as set out within The Code of Practice on Local Authority Accounting (The Code) and the Service Reporting Code of Practice (SeRCOP) published by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 1.4 Overall the production of the accounts and final audit work has gone well and been delivered eleven days earlier than prior year. There are no uncorrected misstatements that remain in the audited accounts.
- 1.5 There were a number of amendments to disclosures which will be included in the final accounts.
- 1.6 It is acknowledged that the Council is one of the first authorities in the country to conclude its audit process and present the final Statement of Accounts to the Audit committee for approval during July.
- 1.7 Members should note that the 2015/16 accounts are presented with an unqualified opinion. There were no material changes to the accounts.
- 1.8 A copy of the letter of representation, which includes areas where the auditors have relied on management's judgement, is given at Appendix A.

**2 Recommendation(s)**

- 2.1 That the Committee approve the audited Statement of Accounts for 2015/16 and the accounting policies within it, Appendix B, and the Chairman of this committee signs the Statement as approval.
- 2.2 That the Committee approves the letter of representation at Appendix A and the Chairman signs the letter.

**Implications**

**3 Financial Implication(s)**

3.1 There are no financial implications arising from this report.

#### **4 Link to Corporate Priorities**

4.1 I confirm that the subject of this report is linked to a statutory requirement, under Accounts and Audit Regulations 2015.

#### **5 Legal Implication(s)**

5.1 The Director (Finance & Operations) has the powers within the Council's financial procedure rules to amend and update the accounting policies; the role of the Audit Committee is to consider and approve the Council's Statement of Accounts.

5.2 There is a statutory requirement to publish the approved and audited Statement of Accounts by 30 September each year.

#### **6 Climate Change Implication(s)**

6.1 None

#### **7 Risk Management Implications**

7.1 There is a risk that the Statement of Accounts fails to meet regulatory and professional standards or timetables. The potential impacts include qualification of the Statement of Accounts and/or balances on accounts may be uncertain. Members should note that effective controls have been put in place (e.g. staff training) to minimise the likelihood of occurrence.

#### **8 Equality and Diversity**

8.1 There are no specific equalities issues. The Statement is made widely available and accessible

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Date	14 <sup>th</sup> July 2016

#### **Background papers**

CIPFA – Code of Practice on Local Authority Accounting in the United Kingdom (Guidance Notes for Practitioners 2015/16 Accounts)

CIPFA – Code of Practice on Local Authority Accounting in the United Kingdom 2015/16

CIPFA SERCOP 2015/16 - Service Reporting Code of Practice

#### **List of Appendices**

Appendix A – Letter of Representation

Appendix B - Statement of Accounts 2015/16