

SUBJECT:	STATEMENT OF ACCOUNTS 2015-16
MEETING:	Audit Committee
DATE:	30th June 2016
DIVISIONS/WARD AFFECTED:	All Authority

1. PURPOSE:

1.1 The purpose of this report is to:

- Consider the annual accounts for the Authority for 2015-16

Members are asked to note that the figures provided may be subject to change (particularly those that have their own audit process e.g. Trust Funds and Joint Committees) during our external audit process.

2. RECOMMENDATIONS:

2.1 That the draft Monmouthshire County Council Statement of Accounts for 2015-16, as presented for audit, be reviewed. (Appendix 2), alongside the summary extract (Appendix 1).

2.2 That the draft statements of accounts listed below are reviewed:

- Monmouthshire County Council Welsh Church Act Fund (Appendix 3)

2.3 We are yet to receive final figures in relation to following Trust Funds, and the draft Statement of Accounts current highlights these in yellow as still needing to be supplied.

- Monmouthshire Farm School Endowment Trust Fund
- Llanelly Hill Social Welfare Centre Accounts

3. KEY ISSUES

3.1 Under current legislation, the accounts closure process has to be concluded each year by 30th June. The Authority is also required to complete and prepare a set of accounts by this date. Council approval of the accounts follows the audit process which must be completed by 30th September.

3.2 These accounts are therefore presented for information at this stage. However once the External Audit process is complete, the Audited Statement of Accounts will be approved by Council in September 2016.

3.3 The Statement of Accounts, shown in Appendix 2, is a highly technical document and its form and content are heavily regulated. The main regulations come through the:

- Code of Practice on Local Authority Accounting in the United Kingdom 2015-16
- Service Reporting Code of Practice 2015-16
- supported by International Financial Reporting Standards (IFRS).

3.4 In complying with these Standards, the accounts are highly technical and do not always make easy reading. With this in mind a summary of the 2015-16 Accounts has been produced (Appendix 1) and will be available on the Authority's website along with the statutory accounts, when published later in the year. In the meantime, supplementary information, regarding the Authority's financial performance, has also been provided to Cabinet and Select Committees through the Revenue and Capital Outturn Reports.

3.5 The formal Statement of Accounts includes the following prescribed reporting focus,

- Annual Governance Statement
- Income & Expenditure Statement
- Balance Sheet
- Cashflow Statement
- Movement in Reserves Statement

3.6 The Income and Expenditure Statement largely reflects the periodic monitoring report at outturn, however there are some additional aspects that appear in the formal Accounting Statements e.g. depreciation, amortisation, impairment and internal recharges.

The monitoring report identified a slight surplus of £580,000 on the Council Fund reported at year end. This net under spend mainly resulted from underspends in treasury activities, improved recovery on council tax, underspends in corporate costs, Chief Executive office costs, Enterprise, Operations and Children & Young people offset by a net over spend on Social Care & Health.

3.7 2015-16 saw significant cost pressures within the service budgets, which are expected to continue into 2016-17. Members and Officers will therefore need to ensure that the budget is carefully managed in order to ensure that the current stable corporate financial position is maintained.

3.8 The Authority also acts as sole or custodian trustee for a number of charitable trust funds. These trust funds require independent audit scrutiny and examination. The accounts have to be prepared in accordance with the Charity SORP (Statement of Recommended Practice) 2005. These accounts are attached for review in Appendix 3, 4 & 5.

3.9 The Monmouthshire County Council Welsh Church Act Fund accounts and the Llanelly Hill Social Welfare Centre Accounts will be approved by Council at its meeting in September 2016. Whilst the Monmouthshire Farm School Endowment Trust Fund is being considered by the Monmouthshire Farm School Endowment Trust Fund Committee during July.

4. REASONS

4.1 To review the Council's accounts as presented to external audit, enabling the external audit process to be undertaken and reported in due course.

5. RESOURCE IMPLICATIONS

5.1 As outlined in the respective Accounts to be found in the Appendices.

6. CONSULTEES

Strategic Leadership Team

Cabinet Members
Head of Finance
Head of Legal Service

7. BACKGROUND PAPERS

Statutory and legislative guidance.

Appendices:

1. Summary Accounts Information 2015-16
2. Statement of Accounts (prior to audit) 2015-16
3. Monmouthshire County Council Welsh Church Fund Accounts 2015-16

4. AUTHORS:

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5. CONTACT DETAILS

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