

SUBJECT:	STATEMENT OF ACCOUNTS 2016-17
MEETING:	Audit Committee
DATE:	6th July 2017
DIVISIONS/WARD AFFECTED:	All Authority

1. PURPOSE:

1.1 The purpose of this report is to:

- Consider the annual accounts for the Authority for 2016-17

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 2016-17, as presented for audit, be reviewed. (Appendix 1).

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

- Monmouthshire County Council Welsh Church Act Fund (Appendix 2)

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. The Council has met this requirement. 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 1, 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
- Service Reporting Code of Practice
- 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 supporting presentation has been prepared to assist with the scrutiny process.

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.

3.7 2016-17 saw significant cost pressures within the service budgets, which are expected to continue into 2017-18. 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.

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 2017. Whilst the Monmouthshire Farm School Endowment Trust Fund is commonly 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. Statement of Accounts (prior to audit) 2016-17
2. Monmouthshire County Council Welsh Church Fund Accounts 2016-17

3. AUTHORS:

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4. CONTACT DETAILS

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