

## Statement of Accounts 2012/13 Post Audit Approval

### SUMMARY

- 1.1 This report presents the final statement of accounts for 2012/13 to the committee.

### RECOMMENDATION

- 2.1 To approve the final statement of accounts for the 2012/13 financial year at **Appendix 2** which include final adjustments made following the audit, as explained in **Appendix 3**.
- 2.2 To note that a number of issues were identified by the external auditors, which have led to audit adjustments being made to the draft statement of accounts that was previously presented to this committee in June 2013.
- 2.3 To note that the auditors anticipate the issue of an unqualified audit opinion, subject to the completion of any outstanding audit testing and this committee's approval of the accounts, together with acceptance of the external audit memorandum.
- 2.4 To review the proposed management letter of representation in relation to the 2012/13 statement of accounts at **Appendix 4** (due to be signed by the Strategic Director of Resources and the Chief Executive) and to confirm, to the best of the committee's knowledge, that it is satisfied the letter may be signed in good faith.
- 2.5 To agree the capital determination be recommended for approval at **Appendix 5**.

### REASONS FOR RECOMMENDATION

- 3.1 The Council has a statutory duty to approve and publish a final set of accounts by 30 September 2013 in accordance with the Audit and Accounts Regulations 2011.

## SUPPORTING INFORMATION

- 4.1 The Council's external auditors, Grant Thornton (GT) are finalising the audit of the 2012/13 statement of accounts; a draft of which was presented to this committee on 26 June 2013. GT is required to issue a report summarising the results of the audit and detailing issues arising from the audit of the financial statements, including those issues which they are formally required to report under the Audit Commission's Code of Audit Practice and International Standard of Auditing ISA260. A report detailing communication of audit matters with those charged with governance this is included elsewhere on the agenda (item 5).
- 4.2 At the time of writing this report, the audit testing of the accounts, whilst substantively complete, is yet to be finalised. A revised version of the Council's statement of accounts will therefore be presented at the meeting, together with supporting explanations of any required audit adjustments.
- 4.3 Under the International Standard on Auditing (UK & Ireland) (ISA 580) 'Management Representations' and the Local Government Accounting Code of Practice (issued by the Chartered Institute of Public Finance and Accountancy) the Council is required to submit a letter of representation to its external auditors, Grant Thornton.
- 4.4 The letter of representation at **Appendix 4** sets out assurances from the Council to Grant Thornton that relevant accounting standards and disclosure requirements have been complied with.
- 4.5 The 2012/13 Capital Determination is presented at **Appendix 5**, in accordance with the Local Government and Housing Act 1989 and Local Government Act 2003.

## OTHER OPTIONS CONSIDERED

- 5.1 Not applicable.

**This report has been approved by the following officers:**

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| <b>Legal officer</b><br><b>Financial officer</b><br><b>Human Resources officer</b><br><b>Estates/Property officer</b><br><b>Service Director(s)</b><br><b>Other(s)</b> | Not Applicable<br>Chloe Bowes – Head of Corporate Accountancy<br>Not Applicable<br>Not Applicable<br>Not Applicable<br>Not Applicable  |
| <b>For more information contact:</b><br><b>Background papers:</b><br><b>List of appendices:</b>  | Mark Nash 01332 643369 mark.nash@derby.gov.uk<br>None<br>Appendix 1 - Implications<br>Appendix 2 – Statement of Accounts (To Follow)<br>Appendix 3 – Audit Adjustments (To Follow) |

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|  | Appendix 4 – Letter of Representation<br>Appendix 5 – Capital Determination (To Follow) |
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| <b>IMPLICATIONS</b> |
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**Financial and Value for Money**

- 1.1 As detailed in the report.

**Legal**

- 2.1 The Accounts and Audit Regulations 2011 require authorities to obtain approval by a council committee to the statement of accounts and group accounts by 30 September 2013.
- 2.2 The Accounts are prepared in accordance with Chartered Institute of Public Finance and Accountancy's Code of Practice on Local Authority Accounting in the United Kingdom 2012/13.

**Personnel**

- 3.1 None directly arising.

**Equalities Impact**

- 4.1 None directly arising.

**Health and Safety**

- 5.1 None directly arising.

**Environmental Sustainability**

- 6.1 None directly arising.

**Asset Management**

- 7.1 None directly arising.

**Risk Management**

- 8.1 None directly arising.

**Corporate objectives and priorities for change**

- 9.1 None directly arising.