

<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>Corporate Audit Committee</b>
MEETING DATE:	<b>28<sup>th</sup> September 2015</b>
TITLE:	<b>Governance Reports for Council and Avon Pension Fund, and Audited Statement of Accounts 2014/15</b>
WARD:	All
<b>AN OPEN PUBLIC ITEM</b>	
<p><b>List of attachments to this report:</b></p> <p><b>Appendix 1</b> – Audit Findings Report for Bath &amp; North East Somerset Council</p> <p><b>Appendix 2</b> – Audit Findings Report for Avon Pension Fund</p> <p><b>Appendix 3</b> – Bath &amp; North East Somerset Council Audited Statement of Accounts 2014/15</p> <p><b>Appendix 4</b> – Bath &amp; North East Somerset Council Letter of Representation</p>	

## **1 THE ISSUE**

- 1.1 The Audit Findings Report summarises the results of Grant Thornton’s audit of the 2014/15 accounts. It includes the issues arising from the audit of the financial statements, and those issues which they are formally required to report to you under the Audit Commission’s Code of Practice and International Standard of Auditing (UK & Ireland) – ‘Communication of audit matters with those charged with governance’.

## **2 RECOMMENDATION**

The Corporate Audit Committee Recommends that:

- 2.1 The issues contained within the Audit Findings Reports for the Council and Avon Pension Fund, are noted
- 2.2 The audited Statement of Accounts – including the letter of representation - for Bath & North East Somerset Council for 2014/15 is approved.

### **3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 3.1 The Council's Statement of Accounts sets out the Income and Expenditure for the 2014/15 financial year, together with the Balance Sheet and all related supporting information.

### **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

- 4.1 The Statutory Statement of Accounts have been produced in accordance with the CIPFA Code of Practice on Local Authority Accounting based on International Financial Reporting Standards.
- 4.2 The Accounts and Audit Regulations 2003 require that the Statement of Accounts shall be approved by a resolution of a Committee of the relevant body and that following approval, the Statement of Accounts be signed and dated by the person presiding at the Committee.

### **5 THE REPORT**

#### **Council's Accounts**

- 5.1 The foreword to the Statement of Accounts gives an overview of the financial position as set out in the accounts in the detailed statements and notes.
- 5.2 The work carried out by Grant Thornton as part of the audit of the financial statements has resulted in a number of corrections to the Balance Sheet and Comprehensive Income & Expenditure Statement, mainly in relation to revisions to the accounting treatment of movements of assets values in the Council's asset registers. None of these amendments adjust the total net expenditure or total usable reserves.
- 5.3 Grant Thornton are proposing to issue an audit report including an unqualified audit opinion on the Council's 2014/15 Financial Statements.

#### **Avon Pension Fund's Accounts**

- 5.4 During the audit, there have been several amendments to the Pension Fund accounts since the draft version that were presented to the Pensions Committee in June. These changes have been updated in the final Statement of Accounts, which were presented to the Pensions Committee on Friday 25<sup>th</sup> September 2015.
- 5.5 Grant Thornton are proposing to issue an audit report including an unqualified audit opinion on the Pension Fund's 2014/15 Financial Statements.

#### **Annual Governance Statement**

- 5.6 The Annual Governance Statement forms part of the Annual Accounts and has previously been reported to the Committee. After consideration by management no significant issues are being reported and the statement has been signed and is included in the formal statement of accounts.

## 6 RATIONALE

6.1 The report is presented as part of the reporting of financial management and budgetary control required by the Council.

## 7 OTHER OPTIONS CONSIDERED

7.1 None

## 8 CONSULTATION

8.1 Consultation has been carried out with the Section 151 Finance Officer.

8.2 Consultation was carried out at meetings and via e-mail.

## 9 RISK MANAGEMENT

9.1 The Council's on-going financial position is an identified risk that is regularly monitored.

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<b>Background papers</b>	<i>None</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	