

Report to Audit Committee

Agenda
Item:

A.9

Meeting Date: 16 March 2017
Portfolio: Finance, Governance and Resources
Key Decision: Not Applicable:
Within Policy and
Budget Framework YES
Public / Private Public

Title: AUDITED ACCOUNTS 2016/17
Report of: Chief Finance Officer
Report Number: RD62/16

Purpose / Summary:

This report has been prepared in response to the proposal to undertaken a 'dry run' in respect of the audit approach for the earlier closure of the accounts for 2016/17.

Recommendations:

The Chair or Members of the Audit Committee are requested to agree to a special meeting of the Audit Committee, in accordance with paragraph 2.6, to be held on 31st July 2017, in order to consider the External Audit Findings Report, the audited Statement of Accounts for 2016/17 and the Letter of Representation.

Tracking

Audit Committee:	16 March 2017
Overview and Scrutiny:	Not applicable
Council:	Not applicable

1. BACKGROUND

- 1.1 The Local Audit and Accountability Act 2014 received royal assent on 30th January 2014 and in order to effect many of the provisions contained in the Act, secondary legislation was also required.
- 1.2 The Accounts and Audit Regulations (England) 2015, laid before Parliament on 17th February 2015, set out the requirement to accelerate the accounts preparation timetable for the accounts being audited, approved and published from 30 September to 31 July.
- 1.3 The DCLG's intention to bring forward the date by which accounts must be published is to be effective for the 2017/18 accounts as shown in the table below:

	2016/17	2017/18
Certification of draft accounts by the chief financial officer	30 June	31 May
Approval and publication of audited accounts	30 September	31 July

2. CURRENT POSITION AND PROPOSALS

- 2.1 The City Council has been able to achieve an earlier certification of the draft accounts for both 2014/15 and 2015/16 with dates of 29th May and 7th June respectively, and the intention is to replicate this earlier closedown and certification for the 2016/17 draft accounts. Having a detailed and comprehensive closedown timetable which is adhered to by an experienced finance team, led by the Chief Accountant enables this earlier deadline to be met.
- 2.2 With regards to the approval and publication of the audited accounts, this has always been achieved in accordance with the statutory deadline of 30 September. However as discussed at the previous Audit Committee, the aim is to have a full 'dry run' for the Council and the Auditors for the 2016/17 accounts i.e. certification by 31 May and publication by 31 July. This earlier publication deadline can be achieved through working closing with the External Audit Team in agreeing interim work and by the scheduling of audit work for the final accounts process during June and July 2017. This will be two months ahead of the statutory timetable and will be in advance of the significant change in the timing of the audit.

2.3 As a result of this earlier shutdown, there will be requirement to set up a special meeting of the Audit Committee, in order to consider the following:

- Audit Findings Report 2016/17
- Statement of Accounts (audited) 2016/17
- Letter of Representation 2016/17

2.4 It is therefore proposed that a meeting is scheduled for Monday 31st July to consider these reports which will conclude the Audit Committee's involvement in the 2016/17 Accounts process.

2.5 In accordance with the Terms of Reference for the Audit Committee, the committee *'will meet at least four times a year in accordance with the schedule of meetings agreed by the Council. The External Auditor or the Audit Services Manager may request a meeting if they consider it necessary and other special meetings may be called in accordance with the Council's Procedure Rules.'*

2.6 There are currently four scheduled meetings for the Audit Committee in 2017/18 and as detailed above; a special meeting can be called if required. Section 3.3 of the Council's Procedure Rules state:

The chairman of a committee, sub-committee, panel or working group or the chairman of the Council may call a special meeting of a committee, sub-committee panel or working group at any time. A special meeting shall also be called on the requisition of a quarter of the whole number of the relevant body delivered in writing to the Corporate Director of Governance and Regulatory Services but in no case shall less than three members requisition a special meeting. The summons to the special meeting shall set out the business to be considered thereat, and no business other than that set out in the summons shall be considered at the meeting.

3. CONCLUSION AND REASONS FOR RECOMMENDATIONS

3.1 To enable the certification and publication of the 2016/17 Statement of Accounts thus facilitating a full 'dry run' for the earlier closure of the accounts.

4. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

4.1 To ensure that the Council has the necessary governance arrangements in place to comply with statutory requirements.

Contact Officer: Alison Taylor

Ext: 7290

**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

CORPORATE IMPLICATIONS/RISKS:

Economic Development – not applicable

Governance & Regulatory Services – contained within the report

Community Services – not applicable

Corporate Support & Resources – contained within the report