

## Regulatory and Other Committee

### Open Report on behalf of Pete Moore, Executive Director Finance and Public Protection

Report to:	<b>Audit Committee</b>
Date:	<b>21 July 2014</b>
Subject:	<b>Draft Statement of Accounts 2013/14</b>

#### Summary:

The draft Statement of Accounts for Lincolnshire County Council for the financial year 2013/14 is attached to this report (APPENDIX A). Members of the Audit Committee are asked to scrutinise and comment on the draft Statement of Accounts. The final Statement of Accounts for 2013/14 will be presented to the Audit Committee in September for approval.

#### Recommendation(s):

Members of the Audit Committee are asked to scrutinise and comment on the draft Statement of Accounts, within the framework set out in the Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 and other statutory guidance.

#### Background

1.1 The County Council prepares its annual Statement of Accounts in line with the proper accounting practices required by section 21(2) of the Local Government Act 2003 and set out in the Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 and the Service Reporting Code of Practice (SeRCoP).

1.2 In addition to this guidance the County Council's accounts are prepared using the accounting policies set out at note one on pages 17 to 35 of the accounts. The accounting policies are the principles, bases, conventions, rules and practices applied by the Council that specify how the effects of transactions and other events are reflected in the Statement of Accounts. These policies are reviewed annually to ensure they remain current and were reported to this committee at its meeting on 31 March 2014.

1.3 Councillors have little discretion to influence the content of the statements as they are prepared using the above guidance, however Councillors do have a responsibility for the corporate governance of the Council and this includes robust scrutiny of the Council's financial accounts and financial position. Therefore,

Members of the Audit Committee are asked to scrutinise and comment on the Statement of Accounts. Ian Fifield from LG Futures will be in attendance at the Audit Committee meeting to take you through the Statement of Accounts and help you to fulfil your roll to scrutinise and comment on the financial statements.

1.4 Councillors may wish to initially focus on the Explanatory Foreword (pages 3 to 10). This attempts to provide a straight forward overview of the Council's financial health and performance and highlights the significant areas of financial activity during the year.

1.5 The Statement of Accounts is a large and complex document. The Council's External Auditor believes that there are opportunities to shorten the published accounts. The Council will consider these options when planning for the 2014/15 accounts closedown. Any changes which are made to content of the financial statements will be brought back to this Committee for approval before implementing the change.

1.6 Councillors should note that separate reporting takes place on expenditure incurred over 2013/14 relative to the approved budget. This review of financial performance has been to Executive on 1 July and VfM Scrutiny Committee on 24 June. Recommendations arising in terms of the treatment and use of over and underspendings will be considered by full Council on 26 September.

## **Conclusion**

2.1 The Committee's scrutiny and comments will be reflected in the final Statement of Accounts which will come back to this Committee in September.

2.2 The statements are subject to external audit and the Council's External Auditor (KPMG) will give an opinion on whether the accounts give a 'true and fair' view. The results of the external audit will be reported back to the Audit Committee in September. The Audit Committee will then be asked to approve the final Statement of Accounts for 2013/14.

2.3 The accounts and supporting information are available for inspection by the public during the period 7 July 2014 to 1 August 2014 inclusive.

## **Consultation**

### **a) Policy Proofing Actions Required**

N/A

## **Appendices**

These are listed below and attached at the back of the report	
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Appendix A	Draft Statement of Accounts 2013/14
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## **Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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