

27 September 2017**Agenda Item: 4****REPORT OF CHAIRMAN OF FINANCE AND PROPERTY COMMITTEE****STATEMENT OF ACCOUNTS 2016/17****Purpose of the Report**

1. To inform the Governance and Ethics Committee of the results of the external audit of the Statement of Accounts 2016/17.
2. To present the Audited Statement of Accounts 2016/17 for approval by the Governance and Ethics Committee (**Appendix A**).
3. To inform the Governance and Ethics Committee of the contents of the auditor's External Audit Report 2016/17 (**Appendix B**).
4. To present the letter of representation to be issued in relation to the audit for approval by the Governance and Ethics Committee (**Appendix C**).

Audit Results

5. The statutory audit of the Statement of Accounts 2016/17 was undertaken by KPMG. The audit was completed satisfactorily and the audit report to be issued will include an unqualified opinion on the financial statements.
6. No material adjustments were identified within the financial statements.
7. The audit did not identify any significant weaknesses in internal control and there were no significant difficulties or matters identified during the audit.
8. The auditor will issue an unqualified value for money conclusion stating that the Council had proper arrangements to secure economy, efficiency and effectiveness in its use of resources.
9. Due to an outstanding objection to the 2015/16 Statement of Accounts, the external auditors are not able to issue the formal 2016/17 Statement of Accounts Notice of Completion alongside their opinion and Value for Money conclusion. It is expected that the objection to the accounts will be resolved prior to the end of 2017.
10. The statement of accounts is one of the key documents prepared by the Council to demonstrate good governance and value for money. This provides information about the County Council's financial position, performance and cash flows and consequently, shows

the results of the stewardship and accountability of elected members and management for the resources entrusted to them, which is of paramount importance in the use of public funds.

11. The results of this year's audit are a continued positive reflection of the Council's performance, particularly in the context of the continuing changes and complexities arising from International Financial Reporting Standards.
12. As required by The Accounts and Audit (England) Regulations 2015, the Council's S151 Officer will recertify the accounts following completion of the audit, the Chairman of the Governance and Ethics Committee will sign the Statement of Approval and the Section 151 Officer will sign the letter of representation.

Statutory and Policy Implications

13. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

14. That
 - a) The contents of the External Audit Report 2016/17 are commented upon.
 - b) The letter of representation is approved.
 - c) The Statement of Accounts 2016/17 is approved and authority is delegated that the Section 151 Officer, in consultation with the Chairman of the Committee, may make further minor amendments to the Statement of Accounts 2016/17 if necessary.

Councillor Bruce Laughton
Chairman of Governance and Ethics Committee

For any enquiries about this report please contact:
Nigel Stevenson
Service Director (Finance, Procurement and Improvement)

Constitutional Comments (KK 14/09/2017)

15. The proposals in this report are within the remit of the Governance and Ethics Committee

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Annual Governance Report 2016/17

Electoral Division(s) and Member(s) Affected

All