

Meeting: Audit Committee
Date: 26 September 2011
Subject: 2010/11 Statement of Accounts
Report of: Charles Warboys – Chief Finance Officer
Summary: The report presents the 2010/11 Statement of Accounts for Central Bedfordshire Council. The annual accounts document is attached at Appendix A to the report.

Advising Officer: Charles Warboys – Chief Finance Officer
Contact Officer: Adrian King – Head of Financial Strategy
Public/Exempt: Public
Wards Affected: All
Function of: Council

CORPORATE IMPLICATIONS

Council Priorities:

Not applicable.

Financial:

The annual accounts reports the financial position of the authority at the end of the financial year and are prepared under the International Financial Reporting Standards.

Legal:

The Accounts and Audit Regulation 2011 states that the authority is required to provide approved annual accounts by 30 September following the end of the financial year.

Risk Management:

Not Applicable.

Staffing (including Trades Unions):

Not Applicable.

Equalities/Human Rights:

Not Applicable.

Community Safety:

Not Applicable.

Sustainability:

Not Applicable.

Procurement:

Not applicable.

RECOMMENDATIONS:

That the Committee:

- 1. approves the 2010/11 Statement of Accounts; and**
- 2. approves the 2010/11 Letter of Representation.**

Background

1. The annual accounts must be published with the audit opinion and certificate no later than 30 September following the end of the financial year. In advance of this the accounts must have been approved by Members. Approval of the accounts is therefore required at the September 2011 Audit Committee. The full set of annual accounts is attached at Appendix A.
2. Auditing standards require the External Auditor to obtain appropriate written representation from the Council about the financial statements and governance arrangements. The Committee is therefore asked to approve draft letter of representation to the Audit Commission attached at Appendix B.

Statement of Accounts 2010/11

3. The Assistant Director – Finance, as required by the Accounts and Audit Regulations, certified the 2010/11 annual accounts on 30 June 2011. This certified version of the accounts was presented to the June Audit Committee for noting. The Public Inspection of the accounts was also undertaken and this was concluded on 12 August 2011.
4. The Statement of Accounts was subject to external audit validation in accordance with the requirements of the Audit Commission. The audit of the accounts was undertaken during July, August and September 2011. The Annual Governance Report has been issued by the Audit Commission and is being considered separately by the September Audit Committee. The Annual Governance Report will outline any major adjustments to the original version of the accounts.
5. As required by the Accounts and Audit Regulations the annual accounts must be published with the audit opinion no later than 30 September. In advance of this the accounts must have been approved by Members. Approval of the accounts is required at the September 2011 Audit Committee.

6. The accounts approval process has been revised in line with the requirements of the Accounts and Audit Regulations 2011, SI No. 817. Under the previous regulations Members were required to approve the annual accounts (by 30 June) before they had been reviewed by the external auditor. The new requirements mean that Members give their approval to the accounts in the knowledge of audit findings.
7. The Statement of Accounts has been produced in accordance with statutory requirements including the requirements of the International Financial Reporting Standards (IFRS).

Letter of Representation

8. Auditing standards require the External Auditor to obtain appropriate written representation from the Council about the financial statements and governance arrangements. The Committee is therefore asked to approve draft letter of representation to the Audit Commission attached at Appendix B. This sets out details of the unadjusted misstatements and provides details on the reasons for non-correction of these items.

Conclusion and Next Steps

9. Following approval, in accordance with the Accounts and Audit Regulations 2011, the Council will publish its annual accounts and provide a public notice of the conclusion of the audit of accounts by the Audit Commission.

Appendices:

Appendix A – 2010/11 Statement of Accounts
Appendix B – 2010/11 Letter of Representation

Background Papers: (open to public inspection)

None

Location of background papers:

N/A