

AUDIT COMMITTEE
21 June 2017

Subject Heading:	Statement of Accounts 2016/17
CMT Lead:	Debbie Middleton
Report Author and contact details:	Radwan Ahmed Head of Financial Control and Corporate Systems Tel: (020) 3373 0934 Email: Radwan.ahmed@onesource.co.uk
Policy context:	This report advises the Audit Committee of the progress to date in preparing for the Closure of Accounts 2016/17
Financial summary:	There are no direct financial implications to the report.

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for	<input type="checkbox"/>
People will be safe, in their homes and in the community	<input type="checkbox"/>
Residents will be proud to live in Havering	<input checked="" type="checkbox"/>

SUMMARY

As required by the Accounts and Audit Regulations 2011, the Council's Statement of Accounts must be approved and signed by the Chief Finance Officer (s151 officer) no later than 30 June 2017. The accounts must be published after the conclusion of the external audit of accounts, no later than 30 September 2017.

RECOMMENDATIONS

The Committee is asked to note that:

- a) The Council's Statement of Accounts must be approved and signed by the Council's Chief Financial Officer no later than 30 June 2017,
- b) A verbal update on progress in preparing the statement of accounts will be given by officers at the meeting,
- c) The draft statement of accounts will be published on the Council's website on 30 June 2017,
- d) The accounts are planned to be considered and approved by the Audit Committee on 21 September 2017, and
- e) The accounts must be published following the conclusion of the audit, no later than 30 September 2017.

REPORT DETAIL

1. Statement of Accounts 2016/17

- 1.1. At the time of preparing the report management are reviewing the preliminary draft statement of accounts, and officers are confident of achieving the the statutory timetable for publication and approval. A verbal update on progress will be given to the Committee at the meeting.
- 1.2. As previously reported to the Committee, the significant changes to the code of practice affecting the 2016/17 accounts are the amendment to service lines presented within the Comprehensive Income and Expenditure Statement, and the new Expenditure Funding Analysis. Both of these changes aim to provide a direct and accessible reconciliation between the way local authorities are funded and prepare their budget to the financial information reported within the Statement of Accounts.
- 1.3. In addition to the change brought by the Code, the 2016/17 accounts will include Group Accounts due to the need to incorporate the Council's interest in Mercury Land Holdings Ltd.
- 1.4. In accordance with the Accounts and Audit (England) Regulations 2011. The Completed accounts will need to be approved and signed by the Chief Financial Officer no later than 30 June 2017.
- 1.5. The draft accounts will then be subject to audit by the Council's external auditors Ernst & Young. Following the conclusion of the audit, the accounts must be approved by the Audit Committee and published no later than 30 September 2017.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no direct financial implications arising from the publication of the 2016/17 Statement of Accounts.

Legal implications and risks:

Production of the Statement of Accounts for financial year 2016/17 satisfies Regulation 8 of the Accounts and Audit (England) Regulations 2011 which requires the approval and publication of the Statement of Accounts after the conclusion of the audit but in any event no later than the 30 September 2017.

Human Resources implications and risks:

None arising directly from this report.

Equalities implications and risks:

None arising directly from this report.

BACKGROUND PAPERS

None