

CYNGOR SIR POWYS COUNTY COUNCIL

**AUDIT COMMITTEE
22nd September 2017**

REPORT AUTHOR: Jane Thomas, Head of Financial Services

SUBJECT: Statement of Accounts 2016/17

REPORT FOR: Information

- 1.1 The Statement of Accounts for 2016/17 were signed off by the Strategic Director Resources (Section 151 Officer) on the 26th June 2017. This met the statutory deadline. The audit of the Accounts commenced by the Welsh Audit Office team on the 30th June 2017 and has now concluded.
- 1.2 The Auditor General has issued an unqualified opinion on the 2016/17 Accounts of the Authority at this meeting today, and following the Committees consideration and approval, The Strategic Director of Resources (Section 151 Officer) and the Chair of Audit Committee will sign the Statement of Accounts today and comply with meeting the 30th September deadline for publication.
- 1.3 A workshop for Committee members held on the 18th September 2017 reviewed the final draft of the Accounts and provided members of the Committee with an opportunity to review the amendments made since the draft set of accounts and to fully understand the reasons for them and any impact they have on the accounts.
- 1.4 The Closure of the Accounts for the financial year ending 31st March 2017 and the completion of the Statement of Accounts has once again been delivered under a project management approach which continues to build on the improvements in previous years. The improvements made are once again recognised by the Wales Audit Office in the reports presented to the Committee today.
- 1.5 A number of amendments were however required and whilst there were no concerns about the qualitative aspects of our accounting practices and financial reporting it is recognised that further improvements can be made within the supporting notes to the financial statements and working papers.
- 1.6 Concerns have been raised in previous years around the capacity of the Finance Team to safely maintain and close the Accounts, this has been considered as part of the Financial Services review together with the requirement to close the accounts in a shorter timescale over the next few years. The resulting restructure of the team and the implementation of the improvement plan seeks to build more resilience into the team itself and also to implement improvements across the Council to ensure that transactions are recorded accurately at source, requiring less intervention.

- 1.7 The Finance service is currently advertising for additional staff as well as developing existing staff and increasing the number of staff with professional accountancy and business partnering qualifications.
- 1.8 The Accounts were made available for Public Inspection and the Auditors made themselves available for questions on the Accounts. One member of the public visited the Council Offices and is currently in correspondence with WAO.
- 1.9 The Project approach will continue in 2017/18, the project outline, timetable and actions will be put in place shortly and will incorporate any recommendations forthcoming from the WAO accounts memorandum report which will provide a more detailed list of issues and recommendations.
- 1.10 The impact of any changes across the Authority (JV's, outsourcing, trust status) will have a significant impact on the Accounts. Group Accounts, Consolidation of Accounts may all need to be considered. Staff are attending seminars and training in preparation for these changes.
- 1.11 A number of seminars/workshops are being held by CIPFA (Chartered Institute for Public Finance and Accountancy) and Wales Audit Office to assist in the preparation and planning for earlier closure and our officers are participating in these events.

Recommendation:	Reason for Recommendation:
<p>That Audit Committee considers and approves the 2016-17 Statement of Accounts.</p> <p>The Statement of Accounts be published by the 30th September 2017.</p>	<p>To ensure compliance with the Statutory Requirements.</p>

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