



Hinckley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Council

6 September 2016

WARDS AFFECTED: ALL WARDS

FINANCIAL STATEMENTS 2015/16

Report of Interim Head of Finance

1. PURPOSE OF REPORT

- 1.1 To inform Council of the final Annual Governance Statement and Financial Statements position 2015/16, following the Council's External Audit for 2015/16.

2. RECOMMENDATION

- 2.1 That Council approves the Audited Annual Governance Statement and Financial Statements for 2015/16 (Appendix 1).
- 2.2 The Council note the contents of the draft Management Letter of Representation that the External Auditors have requested as part of the Audit Process (Appendix 2).

3. BACKGROUND TO THE REPORT

- 3.1 On June 27 2016 the Audit Committee resolved that the draft Annual Governance Statement and unaudited Statement of Accounts be approved for publication. These statements were supplied to our External Auditor (Ernst & Young) for them to complete and report back to the Audit Committee.
- 3.2 The Audit Committee reviewed the Audited Annual Governance Statement and Statement of Accounts, and our External Auditor's ISA 260 Audit Findings Report on the 25 August. The Audit Committee's Terms of reference mean that the audit version have to come to full Council for final approval before signed off as the authorised version for 2015/16.

3.3 A summary of the main finding of the External Auditors report is noted below.

Adjusted items	Amendment Value	Comment	Impact on General Fund
Property Plant and Equipment	£6.6m	Due to Human error items were not taken from the valuers report to the Fixed Asset register correctly, which led to overstatement of the asset values in the draft accounts. A control check has been introduced to make sure this error should not happen again.	None
Property Plant and Equipment	£0.1m	Deprecation not correctly included, due to error noted above.	None
Cash and Cash Equivalents	£0.26m	The Revenue and Benefits balances held with cash, were noted as needing to be included with creditors as they were not cash based.	None
Cash and Cash Equivalents	£0.19m	An amount had been treated as paid when in should have been included in creditors.	None
Unadjusted items			
Provision for Business rate appeals	£0.07m	A small error was noted in the calculation to the provision for business rate appeals. A provision is an estimate and is not a definite indication of the final settlements. . This figure is volatile and in relation to the overall level of appeals is not considered significant. It was agreed that the amount was too small to require amendment, as it does not affect the overall picture given by the financial statements.	n/a

3.4 Further detail is given in the External Auditors ISA260 report.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

4.1 This report is to be taken in open session

5. FINANCIAL IMPLICATIONS [AW]

5.1 Contained in the body of the report.

6. LEGAL IMPLICATIONS [AR]

6.1 None

7. CORPORATE PLAN IMPLICATIONS

7.1 The Budget and outturn contributes to the achievement of all Corporate Plan Priorities.

8. CONSULTATION

8.1 No direct consultation

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
S.11 - Failure to successfully deliver the Medium Term Financial Strategy	Adequate resource allocation, partnership working. Budget Planning Workshops for Capital and Revenue financial planning. Consultation on Corporate Priorities through Citizens Panel. Education/training for Members, Adequate consultation. Knowledge transfer, contingency plan, engage partners, robust project management. Raise awareness of late implications of c/tax setting and capping/Benchmark with best practice. Consultation with cross-party members results from budget planning workshops.	A.Wilson

10. KNOWING YOUR COMMUNITY - EQUALITY AND RURAL IMPLICATIONS

10.1 There are no direct implications arising from this report.

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications

- Planning implications
 - Data Protection implications
 - Voluntary Sector
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Background papers: Civica reports

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