

**To the Chair and Members of the  
AUDIT COMMITTEE**

**STATEMENT OF ACCOUNTS 2015/16 UPDATE**

<b>Relevant Cabinet Member(s)</b>	<b>Wards Affected</b>	<b>Key Decision</b>
Mayor Ros Jones	N/a	No

**EXECUTIVE SUMMARY**

1. This report provides an update on the Statement of Accounts for the Members of the Council's Audit Committee.

**EXEMPT REPORT**

2. This report is not exempt.

**RECOMMENDATIONS**

3. It is recommended that Members of the Audit Committee consider the report and note its findings.

**WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

4. These arrangements will contribute towards the Council receiving an unqualified opinion on their accounts and secure good governance and value for money in its use of resources.

**BACKGROUND**

5. The process is underway with no major issues reported to date. Weekly final accounts meetings are taking place within Financial Management to monitor progress against the agreed timetable. A summary of tasks to date from the timetable is shown in the table below: -

<b>Complete</b>	<b>Activity</b>
08/02/16	Final accounts memorandum issued to Directorates
08/03/16	Final accounts manual circulated within Financial Management
22/03/16	Corporate capital resources issued
18/03/16	WIP information produced for further checking
22/03/16	Suspense accounts cleared to date

6. A summary of approaching key deadlines from the timetable is shown in the table below: -

Target	Activity
01/04/16	Valuation Report - Signed Final revaluation report, certificate and supporting schedules issued to finance
01/04/16	All feeders to E5 complete
15/04/16	Capital complete
28/04/16	Balance sheets and revenue complete
06/05/16	Notes to the accounts complete
20/05/16	Completion of single entity CI&ES, Balance Sheet and MIRS
31/05/16	Draft Statement of Accounts signed by Simon Wiles
17/08/16	Audit Committee – to approve and certify Statement of Accounts

7. The interim audit took place 14<sup>th</sup> – 18<sup>th</sup> March with KPMG on site. KPMG have confirmed that they will be relying on work completed by internal audit for the systems work, e.g. Council Tax, NNDR, Benefits, Rent Income. Work completed includes sample testing of journals, Payroll - 1 month reconciliation and review of starters/leavers, review of legal expenses and review of information supplied to South Yorkshire pensions actuary.

The KMPG external audit plan detailed the intention to use data analytics as part of the audit. It has been agreed that KPMG will not undertake the AP data analytics during this audit and instead will be doing an overview of general ICT/System controls.

KPMG will be on site on 29<sup>th</sup> and 30<sup>th</sup> March to test general IT controls for G/L, NNDR, Council Tax, Benefits and Rents, e.g. who can access the system, password parameters, super-users, starters/leavers, programme changes etc.

The Bank Reconciliation audit is to take place on 20th and 21st April due to the change from Co-op to Lloyds.

## **OPTIONS CONSIDERED**

8. Not relevant to this report.

## **REASONS FOR RECOMMENDED OPTION**

9. Not relevant to this report.

## IMPACT ON THE COUNCIL'S KEY OUTCOMES

10.

	<b>Outcomes</b>	<b>Implications</b>
	<p>All people in Doncaster benefit from a thriving and resilient economy.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Be a strong voice for our veterans</i></li> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	
	<p>People live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	
	<p>People in Doncaster benefit from a high quality built and natural environment.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Creating Jobs and Housing</i></li> <li>• <i>Mayoral Priority: Safeguarding our Communities</i></li> <li>• <i>Mayoral Priority: Bringing down the cost of living</i></li> </ul>	
	<p>All families thrive.</p> <ul style="list-style-type: none"> <li>• <i>Mayoral Priority: Protecting Doncaster's vital services</i></li> </ul>	
	<p>Council services are modern and value for money.</p>	<p>Receiving an unqualified opinion on the accounts and a good Value for Money conclusion will show that the Council is delivering effective services and demonstrating good governance arrangements.</p>
	<p>Working with our partners we will provide strong leadership and governance.</p>	

## **RISKS AND ASSUMPTIONS**

11. Failure to meet the statutory deadlines for signing, producing and/or publishing the accounts would attract adverse comments from the auditors who could issue a public interest report.

The auditors need to be confident that the information in the accounts is accurate and reliable otherwise they may not be able to give an unqualified opinion on the accounts.

## **LEGAL IMPLICATIONS**

12. The Council must comply with the CIPFA's Code of Practice on Local Authority Accounting (the 'Code') when preparing the accounts.

The Account and Audit Regulations 2011 (and the 2015 Regulations) and the Local Audit and Accountability Act 2014 specify the deadlines for signing and producing the accounts and when they will be available for public inspection.

## **FINANCIAL IMPLICATIONS**

13. There are no direct financial implications.

## **HUMAN RESOURCES IMPLICATIONS**

14. There are no direct Human Resources implications.

## **TECHNOLOGY IMPLICATIONS**

15. There are no direct Technology implications.

## **EQUALITY IMPLICATIONS**

16. There are no direct Equality implications.

## **CONSULTATION**

17. Not relevant to this report.

## **BACKGROUND PAPERS**

18. None.

## **REPORT AUTHOR & CONTRIBUTORS**

Robert Isaac, Financial Planning & Control Manager  
Telephone: 737983  
E-mail: robert.isaac@doncaster.gov.uk

**Simon Wiles**  
**Director of Finance and Corporate Services**