



City of Westminster

# Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	30 <sup>th</sup> June 2014
<b>Classification:</b>	General Release
<b>Title:</b>	Final Statement of Accounts
<b>Wards Affected:</b>	All
<b>Financial Summary:</b>	N/A
<b>Report of:</b>	Anna D'Alessandro, Acting Chief Finance and Section 151 Officer.
<b>Author:</b>	John Ogden, <a href="mailto:jogden@westminster.gov.uk">jogden@westminster.gov.uk</a>  0207 641 2743

## 1. Executive Summary

- 1.1 The Accounts and Audit Regulations 2011 set out the requirements for the production and publication of the annual Statement of Accounts. It is a requirement of the regulations that a Committee of the Council should approve the final, audited 2013-14 Statements for both the Council and the Pension Fund by 30<sup>th</sup> September 2014. In accordance with the Council's accelerated closure programme these accounts are presented to the Audit and Performance Committee three months earlier than the statutory requirement.
- 1.2 There are no material changes to the revenue and capital outturn figures which have already been reported to Cabinet. The General Fund Reserves balance at 31<sup>st</sup> March 2014 is £35.3 million.
- 1.3 In order to achieve the accelerated timetable the accounts were issued for Public Inspection and audit on the 19<sup>th</sup> May 2014. During the course of the KPMG audit - which is now substantially complete - we have agreed to amend a number of items primarily those relating to the first year treatment of non domestic rates for which the Council has now recognised the net exposure only. In addition some presentational adjustments were required to ensure that the accounts are

compliant with the Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

1.4 The auditors have issued their findings and conclusions from their audit work in their "Report to those charged with governance (ISA 260) 2013-14" report, they propose to issue an unqualified audit opinion and an unqualified VFM conclusion in relation to the Council's accounts and an unqualified opinion on the Pension Fund accounts (note no VFM conclusion is required in the case of the Pension Fund).

1.5 Overall, there are four recommendations (two of which are priority one, and two priority two) arising from the audit, the Council has identified how these are to be addressed in its response to the auditor's report. The report and the Council's management response will be submitted to the Committee as a separate item.

## **2. Recommendations**

2.1 That the Committee approve the final audited 2013-14 Statement of Accounts.

## **3. Reasons for Decision**

3.1 In accordance with the Accounts and Audit Regulations 2011 a Committee of the Council is required to approve the final audited 2013-14 Statements before 30<sup>th</sup> September 2014.

## **4. Background, including Policy Context**

4.1 The final, audited statement of accounts for the year ended 31<sup>st</sup> March 2014 is attached for the Committee's consideration.

## **5. Financial Implications**

5.1 There are no direct financial obligations arising from this report.

## **6. Legal Implications**

6.1 The Accounts and Audit Regulations 2011 require the Council's accounts for 2013-14 to be signed off by the responsible financial officer so that public inspection and audit may commence no later than 30<sup>th</sup> June. The Regulations further require that a Committee of the Council approve the final, audited 2013-14 Statements for publication (post re-certification by the responsible financial officer) by 30<sup>th</sup> September 2014. The Audit and Performance Committee is the designated Committee.

6.2 Under the Regulations, the final audited Statement of Accounts is to be signed by the Chairman of the Committee to demonstrate that the Council has approved the accounts.

- 6.3 The accounts are in International Financial Reporting Standards (IFRS) format. The presentation and content of the Council's Accounts are set out in the Statement of Recommended Practice (SORP) a document which is updated annually by the Local Authorities Accounting Joint Committee in accordance with the Accounting Standards Board.
- 6.4 The Statement of Accounts were available for Public Inspection between the 19<sup>th</sup> May 2014 and the 16<sup>th</sup> June 2014. No member of the public took the opportunity to inspect the accounts; therefore the KPMG Engagement Partner has not received any questions or objections arising from this inspection.

**If you have any queries about this Report or wish to inspect any of the Background Papers please contact:**

*John Ogden at [jogden@westminster.gov.uk](mailto:jogden@westminster.gov.uk) or 0207 641 2743*

## **BACKGROUND PAPERS**

1. Annual Statement of Accounts 2013/14 (final, audited).