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| DECISION-MAKER: | GOVERNANCE COMMITTEE | | |
| SUBJECT: | FINANCIAL STATEMENTS FOR 2015/16 | | |
| DATE OF DECISION: | 25 JULY 2016 | | |
| REPORT OF: | SECTION 151 OFFICER | | |
| <u>CONTACT DETAILS</u> | | | |
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STATEMENT OF CONFIDENTIALITY

NOT APPLICABLE

BRIEF SUMMARY

In accordance with the Accounts and Audit Regulations 2011 the Financial Statements 2015/16 were signed by the Section 151 (S151) Officer on 13 May 2016 which is earlier than the statutory requirement to have the statements signed by the 30 June. A copy of the draft unaudited Financial Statements is available in the Members Room.

The Annual Audit, carried out by our auditors Ernst & Young, commenced on 6 June 2016 and has now been completed. This report details the findings noted in the draft annual audit report of any major changes to the Financial Statements arising from the annual audit. Any further changes, identified on submission of the final audit report, which is expected prior to this meeting, will be presented at this meeting.

RECOMMENDATIONS:

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| | (i) | Notes the changes to the Financial Statements 2015/16 as a result of the annual audit as detailed in paragraphs 6 to 9 and appendix 1; |
| | (ii) | Approves the audited Financial Statements 2015/16. |

REASONS FOR REPORT RECOMMENDATIONS

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| 1. | It is a legal requirement that Statement of Accounts 2015/16 be approved and signed by the person presiding at this meeting, subject to any residual changes required following the completion of the Audit, by 30 September 2016. |
| 2. | The draft accounts were signed by the Chief Financial Officer on 13 May 2016, significantly earlier than the statutory date of the 30 June 2016. |

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

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| 3. | The Financial Statements have been prepared in accordance with statutory accounting principles. No other options have been considered as it is a legal requirement that the Financial Statements are prepared and signed by the |
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| | person presiding at this meeting no later than 30 September 2016. |
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| DETAIL (Including consultation carried out) | |
| | CONSULTATION |
| 4. | Not applicable. |
| | FINANCIAL STATEMENTS |
| 5. | <p>The Financial Statements are a complex document and the layout and information provided are defined by statutory requirements. The key issues that should be drawn to the attention of Committee were presented at its meeting on the 6 June 2016. A copy of this is available in Members rooms on request from report author or by following the link below.</p> <p>Governance Committee 6th June 2016</p> |
| | FINANCIAL STATEMENTS AMENDMENTS |
| 6. | The Financial Statements for 2015/16 have been completed earlier than required this year in recognition that for the financial year 2017/18 it will be a legal requirement to have the accounts certified by 31 st May. This has been made possible by significant effort from the Finance Team and due to sound financial management procedures being in place. The draft annual audit report includes a limited number of adjustments, none of which change the overall bottom line position of the Council for 2015/16. |
| 7. | There were a number of minor numerical and typographical errors some presentational and additional disclosure adjustments to the Draft Financial Statements signed by the CFO on 13 May 2016. |
| 8. | <p>The latest Draft Financial Statements, along with full details of any changes made, are available in Members rooms on request from report author. The main adjustments to the statements were:</p> <ul style="list-style-type: none"> • Exit Packages Disclosure increased, to include payments in lieu of notice of approximately £474k, to £3.5M. • Future minimum lease payments receivable disclosure increased by approximately £15M to £521M. • Payments in respect of PFI and IFRIC 12 Service Concessions table updated for 2015/16. |
| 9. | The remaining adjustments to the statements and notes are detailed in Appendix 1. |
| RESOURCE IMPLICATIONS | |
| <u>Capital/Revenue</u> | |
| 10. | The capital and revenue implications were considered as part of the General Fund Capital Outturn report and the General Fund Revenue Outturn report that were presented to Council on 20 July 2016. |
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| <u>Property/Other</u> | |
| 11. | There are no specific property implications arising from this report. |
| LEGAL IMPLICATIONS | |
| <u>Statutory power to undertake proposals in the report:</u> | |
| 12. | Accounts and Audit Regulations 2011. |
| <u>Other Legal Implications:</u> | |
| 13. | None. |
| POLICY FRAMEWORK IMPLICATIONS | |
| 14. | Not applicable. It should be noted that the Financial Statements are prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the UK. |

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| KEY DECISION? | Yes/No |
| WARDS/COMMUNITIES AFFECTED: | |
| <u>SUPPORTING DOCUMENTATION</u> | |
| Appendices | |
| 1. | Revisions made to Statement of Accounts 2015/16. |
| 2. | |
| Documents In Members' Rooms | |
| 1. | Draft Unaudited Financial Statements 2015/16 |
| 2. | Governance Committee Report 6 th June 2016 – Financial Statements 2015/16 |
| Equality Impact Assessment | |
| Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out? | Yes/No |
| Privacy Impact Assessment | |
| Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out. | Yes/No |
| Other Background Documents | |
| Equality Impact Assessment and Other Background documents available for inspection at: | |

| Title of Background Paper(s) | Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable) |
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| 1. | |
| 2. | |