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| <b>Report To:</b>  | <b>OVERVIEW (AUDIT) PANEL</b>  |
| <b>Date:</b>   | 12 September 2016  |
| <b>Reporting Officer:</b>  | Councillor J M Fitzpatrick – First Deputy Performance and Finance<br>Ian Duncan – Assistant Executive Director, Resources (Section 151 Officer)  |
| <b>Subject:</b>  | <b>AUDITED STATEMENT OF ACCOUNTS 2015/16</b>   |
| <b>Report Summary:</b>   | This report represents the audited Tameside MBC and Greater Manchester Pension Fund (GMPF) Statement of Accounts for 2015/16.  |
| <b>Recommendations:</b>  | That the Panel approve the audited Statement of Accounts for 2015/16 ( <b>Appendix 1</b> ), including the core statements and the notes to the accounts.   |
| <b>Financial Implications:</b><br><b>(Authorised by the Section 151 officer)</b> | The Statement of Accounts sets out full details of the Council's financial position as at 31 March 2016 consistent with International Financial Reporting Standards (IFRS).<br>The Council is required to have the audited accounts accepted by a committee of the Council before 30 September each year.  |
| <b>Legal Implications:</b><br><b>(Authorised by the Borough Solicitor)</b>       | There is a statutory duty imposed on the Council to be able to provide adequate evidence for all its financial activities set out in the Local Government and Housing Act 1989. The preparation of the annual accounts and the audit of those accounts is the main mechanism by which the adequacy of those records is tested.   |
| <b>Links to Community Strategy:</b>  | The Community Strategy has helped determine priorities for Council spending, which is summarised in the 2013/14 accounts.  |
| <b>Policy Implications:</b>  | There are no policy implications flowing from the Statement of Accounts.   |
| <b>Risk Management:</b>  | The audit provides external verification of the Council's financial statements.  |
| <b>Access to Information:</b>  | Background papers can be obtained from the author of the report, Beverley Stephens, Head of Resource Management<br> 0161 342 3887<br> e-mail: <a href="mailto:beverley.stephens@tameside.gov.uk">beverley.stephens@tameside.gov.uk</a> |

## **1. BACKGROUND**

- 1.1 It is necessary to consider the Audit Findings report of the Council's external auditor (Grant Thornton) regarding the Statement of Accounts before agreeing the audited accounts. The Audit Findings report for the Council and the Greater Manchester Pension Fund (GMPF) have been considered earlier on this agenda and the adjustments highlighted have been included.

## **2. INTRODUCTION**

- 2.1 The current legislation enables the pre-audit Statement of Accounts to be certified by the Assistant Executive Director of Finance, in his capacity as the S151 Chief Finance Officer this was completed on the 14 June 2016.
- 2.2 Following this, the audit has progressed and an audit outcome has been received. The audit outcome was presented previously on the agenda. No changes have been required which would fundamentally alter any assessment of the Council's overall financial stability, and no issues have been found which cast fundamental doubt on the overall adequacy of the financial records and the accounts maintained by the Council. Rather, the adjustments recommended have helped to improve the overall quality of the accounts.
- 2.3 The Tameside MBC Statement of Accounts (**Appendix 1**) has been amended in line with the Audit Findings report (ISA260). These are now the audited accounts for Tameside MBC and Greater Manchester Pension Fund for 2015/16.
- 2.4 The Audit Findings report (ISA260) has been submitted by Grant Thornton and has been discussed previously at this meeting. The GMPF audit findings and Statement of Accounts were considered at the GMPF urgent matters panel on 1 September 2016.

## **3. ISSUES**

- 3.1 The attached Statement of Accounts includes the audited accounts for both the Council and GMPF. The Statement of Accounts 2015/16 have been adjusted for those items which the auditors have recommended and Officers have agreed.
- 3.2 The purpose of this report is to recommend that the Panel approves the Statement of Accounts for 2015/16 including the adjustments recommended by the external auditors, which improve the overall accuracy, clarity, and consistency of the document
- 3.3 The Panel is also asked to approve the core statements and the supplementary notes; that is, the overall income and expenditure position, the balance sheet position including the movement in the levels of reserves (general and earmarked) and the cash flow analysis. It should be noted that the accounts are prepared in a nationally adopted format and provide evidence of the overall financial position of the Council. They do not however cover the future financial challenges faced by the Council, which are set out in the Medium Term Financial Strategy.
- 3.4 The Panel should also note that the preparation of the accounts this year has again been a demanding process and would not have been possible without the hard work and professionalism of Council officers, together with a positive working relationship with colleagues from Grant Thornton.

## **4. RECOMMENDATION**

- 4.1 As set out on the front of the report.