

ABERDEEN CITY COUNCIL

COMMITTEE: Audit, Risk & Scrutiny
DATE: 29 September 2015
INTERIM DIRECTOR: Angela Scott
TITLE OF REPORT: Audited Annual Accounts 2014/15
REPORT NUMBER: CG/15/122
CHECKLIST COMPLETED Yes

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide the Council's audited Annual Accounts 2014/15.
- 1.2 The report also provides the audited Annual Accounts 2014/15 for those registered charities where the Council is the sole trustee and is subject to statutory requirements for separate accounts and audit opinions.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- i) approve the Council's audited Annual Accounts for signature by the Head of Finance, Chief Executive and Council Leader; and
- ii) approve the audited Annual Accounts for those registered charities where the Council is the sole trustee, for signature by a trustee.

3. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from this report.

4. OTHER IMPLICATIONS

- 4.1 There is a statutory requirement for the Council to produce both unaudited and audited Annual Accounts within certain timescales and to a high standard. This is a major task which requires co-operation and input from a large number of people across all services of the Council. It is only with the commitment of all staff that these high standards and deadlines can be met.

5. BACKGROUND/MAIN ISSUES

5.1 Audited Annual Accounts

5.1.1 On 26 February 2015 this committee received and noted the contents of a report, “Annual Accounts 2014/15 – Action Plan” which provided high level information and key dates in relation to the production of the 2014/15 Annual Accounts.

5.1.2 The key dates contained within the above report were:-

31 March 2015	End of financial year 2014/15
March–Sept 2015	Information from Group Entities (including ALEO's)
17 June 2015	Public notice for Annual Accounts inspection period to be issued
25 June 2015	Audit, Risk & Scrutiny Committee to consider Draft Annual Accounts
30 June 2015	Statutory deadline for Proper Officer to sign Draft Annual Accounts, submit to the Auditor and publish on the website
1 – 21 July 2015	Public inspection period for Annual Accounts
30 July 2015	Deadline for submission of the Whole of Government Accounts (WGA) to the Scottish Government
29 Sept 2015	Audit, Risk & Scrutiny Committee to consider and aim to approve audited Annual Accounts for signature
29/30 Sept 2015	Signing of audited Annual Accounts by Proper Officer, Chief Executive and Council Leader
30 Sept 2015	Deadline for submission of audited Annual Accounts to the Auditor
Early Oct 2015	Deadline for submission of the Audited WGA to the Scottish Government (date to be confirmed)
31 Oct 2015	Statutory deadline for publication on website of signed Annual Accounts & Audit Certificate, related Auditor report and accounts of all subsidiary bodies
18 Dec 2015	Deadline for submission of Audited Trust Accounts to OSCR

5.1.3 On 25 June 2015 this committee considered the unaudited Annual Accounts and they were signed by the Head of Finance (as Proper Officer) on 26 June 2015.

5.1.4 The unaudited Annual Accounts were available for public inspection for the period 1 – 21 July 2015.

5.1.5 The committee must now consider and aim to approve the audited Annual Accounts for signature.

- 5.1.6 In a separate report, this committee has considered the external auditor's Annual Audit Report to Members and the Controller of Audit. This report highlights any significant findings from the audit of the accounts and informs Elected Members of their audit opinion.

5.2 Financial Performance and Review of the Accounts

- 5.2.1 It should be noted that the audited Annual Accounts are prepared according to the requirements of the IFRS based Code of Practice on Local Authority Accounting (the Code) and as a result are more complex and detailed than the information included in the monitoring reports provided to Committee throughout the year.
- 5.2.2 A report detailing the financial position of the Council was considered by the Finance, Policy and Resources committee on 9 June 2015. This report covered the Council's revenue and capital accounts for General Fund, Housing Revenue and Common Good and the reserves and balances of the Council as at 31 March 2015.
- 5.2.3 The following paragraphs explain the audit adjustments made to the Annual Accounts:
- 5.2.3.1 The former Summerhill Academy site was revalued downwards to more accurately reflect its current fair value taking account of the proposed future use of the site.
- 5.2.3.2 The deferred capital receipt for the St Nicholas House has been reclassified from short to long term debtors and as an unusable reserve to reflect that payment is due in 2017/18.
- 5.2.3.3 The group accounts have been amended to reflect the above adjustments as well as any changes arising from the audit of other group entities and the reclassification of items from short term debtors to short term creditors.
- 5.2.4 These adjustments do not affect the overall financial position of the Council as reported to Finance, Policy and Resources committee on 9 June 2015.

5.3 Registered Charities

- 5.3.1 This encompasses those trusts, registered with OSCR, for which the Council (all 43 Councillors) is the sole trustee. There are eight separately registered charities which for reporting purposes can be grouped together into a single Annual Report and Accounts.

5.3.2 These accounts are subject to the same audit process as the Council with the audited accounts and are included with the aforementioned report from the external auditor.

5.3.3 The committee must now consider and aim to approve the audited Annual Accounts for signature.

6. IMPACT

6.1 The publication of the Annual Accounts demonstrates the Council's proper stewardship and accountability of the public funds with which it is entrusted.

7. MANAGEMENT OF RISK

The robust process of closing the accounts at the financial year-end means that all reasonable steps have been taken to ensure that they are reflective of the financial circumstances of the Council during 2014/15 and as at 31 March 2015.

8. REPORT AUTHOR DETAILS

Sandra Buthlay, Accounting Manager
sbuthlay@aberdeencity.gov.uk
01224 522565

9. BACKGROUND PAPERS

Audited Annual Accounts 2014/15
Audit Scotland Annual Audit Report to Members and the Controller of Audit