

<b>AUDIT PANEL</b>		
<b>Report Title</b>	Update on 2016/17 Closing of Accounts and External Audit	
<b>Key Decision</b>	No	<b>Item No. 3</b>
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director for Resources and Regeneration	
<b>Class</b>	Part 1	<b>Date:</b> 21 March 2017

## **1. SUMMARY AND PURPOSE**

- 1.1. This report provides an update to members of the Audit Panel on the preparations for the 2016/17 closing of accounts and statutory external audit.

## **2. RECOMMENDATION**

- 2.1. The Audit Panel is asked to note the contents of the report.

## **3. 2016/17 EXTERNAL AUDIT**

- 3.1. Grant Thornton began as the Council's external auditors on 1 November 2012. Therefore, the forthcoming external audit will be the fifth one to be carried out by them. Senior management and senior accountants in the Financial Services Division have met regularly with senior representatives of Grant Thornton since the conclusion of the 2015/16 external audit. This will ensure that the next external audit is equally successful.
- 3.2. Grant Thornton continue to progress with their interim audit. This was started in January 2017 and is expected to be completed by April 2017. The areas which are currently being covered as part of this interim process include: updating their review of the council's control environment, updating their understanding of the financial statements and doing some early work on emerging accounting issues.
- 3.3. Grant Thornton will begin their substantive work auditing the Council's annual accounts in June 2017.

## **4. 2016/17 CLOSING OF ACCOUNTS**

- 4.1. The 2016/17 Closing of Accounts timetable, guidance notes and reporting deadlines have again been reviewed and updated. Members should note that the Accounts and Audit Regulations 2015 require councils to bring forward the approval and audit of financial statements to 31<sup>st</sup> May and 31<sup>st</sup> July, respectively

by 2017/18 financial year. In anticipation of these forthcoming changes, officers will be working with the external auditors to enable them to substantially complete the audit of the financial statements by 31<sup>st</sup> July 2017 as a 'dry run' for discussion in August and sign-off in September.

## **5. 2016/17 STATEMENT OF ACCOUNTS**

- 5.1. The Statement of Accounts is prepared in accordance with the CIPFA Code of Practice on Local Authority Accounts, as agreed by the Department for Communities and Local Government. The pre-audit Statement of Accounts is required to be completed and submitted for external audit by no later than the end of June 2017. The audited Statement of Accounts is required to be completed and approved by full Council by the end of September 2017.
- 5.2. As in previous years, both of these Statements will be submitted to the Audit Panel before the required deadlines. It is planned that the pre-audit Accounts will be submitted to the meeting of the Audit Panel on 15 June 2017. The audited Accounts will be submitted to the Audit Panel on 12 September 2017 and Council on 20 September 2017.

## **6. IMPLICATIONS**

- 6.1. There are no financial, legal, crime and disorder, equalities or environmental implications directly arising from this report.

## **7. CONCLUSION**

- 7.1. The report confirms that plans and procedures are in place to enable a timely and accurate audited Statement of Accounts to be produced at year-end.

For further information on this report please contact:

Selwyn Thompson, Head of Financial Services, on 020 8314 6932  
Paul Calnan, Acting Group Finance Manager – Accounting, on 020 8314 6167