

## AUDITED ANNUAL STATEMENT OF ACCOUNTS 2011/12

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### 1. Summary

- 1.1 This covering report and attached Annual Statement of Accounts, present to Members the final audited outturn position for the financial year 2011/12.

### 2. Recommendations

- 2.1 Members are asked to:

- A. Consider and approve the 2011/12 Statement of Accounts and that the Chairman of the Council signs them (in accordance with the requirements of the Accounts and Audit Regulations 2011).
- B. To agree that the Corporate Head of Finance and Commerce be authorised to make any minor adjustments to the Statement of Accounts prior to the 30<sup>th</sup> September 2012.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 Details of the potential risks affecting the balances and financial health of the authority are considered within the Statement of Accounts.

### 4. Financial Implications

- 4.1 This report considers the overall financial position of the Authority in the form of the Council's Statement of Accounts. The accounts consider the level of assets controlled and owned by the Authority, and the level of balances of held.

### 5. Background

- 5.1 The Accounts and Audit Regulations 2011 state that members are required to approve the annual accounts after, rather than before, the findings of the audit are known. The formal date for approval and publication of the accounts is 30 September.

- 5.2 A copy of the 2011/12 Statement of Accounts is attached at Appendix 1. The Audit Commission has audited the accounts during July, August and September. The audit of the accounts is substantially complete and the Auditor has indicated that an unqualified audit opinion will be issued on the accounts, subject to the successful completion of the outstanding matters.
- 5.3 The Accounts and Audit Regulations 2011 also require that the Statement of Accounts is accompanied by the Council's Annual Governance Statement which details the processes and procedures in place to enable the council to carry out its functions effectively. The Annual Governance Statement was approved by the Audit Committee on 21 June 2012 and is attached at Appendix 2.

## **6. Audit Commission Opinion**

- 6.1 The Audit Commission is expected to provide an unqualified audit opinion on the Statement of Accounts and therefore will report as follows.

"In my opinion the financial statements give a true and fair view of the financial position of Shropshire Council as at 31 March 2012 and of its expenditure and income for the year then ended; give a true and fair view of the financial position of the Group as at 31 March 2012 and of its expenditure and income for the year then ended; and have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2011/12."

"I have audited the pension fund financial statements for the year ended 31 March 2012 under the Audit Commission Act 1998. The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2011/12."

## **7. Changes from the Draft Statement of Accounts Certified by the Corporate Head of Finance & Commerce on 29 June 2012**

- 7.1 There have been no material changes to any of the main accounting statements since the version reported to the Audit Committee in June 2012. A number of minor typographical errors have been made, all with the agreement of the Audit Commission. The main changes are listed below:
- a) Additional disclosures or minor corrections have been made within the Notes to the Accounts.
  - b) Group Accounts (pages 124-133) have been amended to reflect audit changes made to the company accounts included within the Group and to include a number of other minor amendments.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Statement of Accounts 2011/12. Audit Committee 21 June 2012.

CIPFA's Code of Practice (Code) on Local Authority Accounting

CIPFA/SOLACE guidance on the Annual Governance Statement

Revenue and Capital Budget 2011/12

**Cabinet Member**

All

**Local Member**

All

**Appendices**

1. Statement of Accounts 2011/12 (Audited) – Hard copy to be held in members library
2. Annual Governance Statement

**Decision(s)**