

AGENDA ITEM NO 4

REPORT NO 437/13

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 13 AUGUST 2013

2012/13 DRAFT UNAUDITED ACCOUNTING STATEMENTS

JOINT REPORT BY THE STRATEGIC DIRECTOR – RESOURCES AND THE HEAD OF CORPORATE IMPROVEMENT AND FINANCE

Abstract: The Council's 2012/13 Draft Accounting Statements are submitted under cover of this report. As required by law the draft statements have been submitted to the Controller of Audit for audit purposes. Members are now asked to note the 2012/13 draft accounting statements, scrutinise them and provide appropriate commentary.

1. RECOMMENDATIONS

It is recommended that the Committee:

- (i) note the [2012/13 Draft Accounting Statements](#) circulated with this agenda;
- (ii) provide any commentary on the Statements considered appropriate at this time; and
- (iii) Note that the ISA 260 report from the Council's external auditor will on its completion be reported to this Committee prior to the audit process being concluded.

2. INTRODUCTION

The Council is required by law to prepare a set of Accounting Statements (the Accounts) which set out its financial position at the end of each financial year. The Accounts have been prepared by the Head of Finance and his team on a draft basis and were submitted to the Controller of Audit for audit purposes in accordance with the statutory deadline of 30 June 2013. As per committee report 389/13 and in line with the Committee's remit members now have the opportunity to undertake a detailed review of the Accounts and provide any commentary / seek clarification. The full Draft Accounts are attached for committee's review and comment.

3. AUDIT PROCESS (ISA 260)

As noted the Accounts are prepared on a draft basis and are submitted to an External Auditor appointed by the Controller of Audit for independent review within the statutory timeframe. Audit Scotland was appointed as Angus Council's external auditor for the five year period beginning 2011/12.

The audit process recognises that the auditor should communicate clearly and directly with those charged with the financial governance of Angus Council and make timely observations arising from the audit that are significant and relevant. This information is formally documented and communicated by the International Standard on Auditing 260 (ISA 260) Report.

The ISA 260 Report will not be available until the audit work is complete. This will occur in September 2013 enabling the audit certificate to be issued. The findings from the audit work and ISA 260 Report will be submitted to the Scrutiny and Audit Committee meeting of 24 September 2013

The audited Accounts along with the Auditor's Report to Members and the Controller of Audit will come to the Scrutiny & Audit Committee on the 12 November 2013 and Angus Council on 12 December 2013 for further review.

4. RISKS

This report does not require any specific risk issues to be addressed.

5. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

6. HUMAN RIGHTS

There are no Human Rights implications arising from this report.

7. EQUALITIES IMPLICATIONS

The issues dealt with in this report have been the subject of consideration from an equalities perspective (as required by legislation). An equalities impact assessment is not required.

8. CONSULTATION

The Chief Executive and the Head of Legal and Democratic Services have been consulted on this report.

9. CONCLUSION

The 2012/13 Draft Accounting Statements were completed within the statutory timeframe and have been made available for public inspection. The auditor is currently reviewing the statements and their findings will be reported to committee in due course.

**MARK ARMSTRONG
STRATEGIC DIRECTOR –
RESOURCES**

**IAN LORIMER
HEAD OF CORPORATE IMPROVEMENT AND
FINANCE**

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

FIN/IL/GW