

**REPORT FOR: GOVERNANCE, AUDIT &
RISK MANAGEMENT
COMMITTEE**

Date of Meeting: 24th September 2012

Subject: Statement of Accounts 2011-12

Responsible Officer: Julie Alderson, Corporate Director of Resources

Exempt: No

Enclosures: Appendix 1: Statement of Accounts 2011-12
Appendix 2: ISA260 report of the Auditor
Appendix 3: ISA260 report of the Auditor on Pension Fund
Appendix 4: Pension Fund Annual Report

Section 1 – Summary and Recommendations

This report presents the audited Statement of Accounts for 2011- 2012

Recommendations:

The Committee is requested to:

- (i) Consider the report of the External Auditor for both Harrow and the Pension Fund;
- (ii) Approve the Accounts for 2011-12;
- (iii) Authorise the Section 151 Officer under delegated authority to make technical audit adjustments to the Statement of Accounts.
- (iv) Note the Pension Fund Annual Report of 2011-12;
- (v) Authorise the Chairman to agree the Annual Audit Letter for publication and submission once all audit matters have been completed.

Reason: (For recommendation)

The Statement of Accounts is an important statutory document. The requirements for the production and sign off of the Accounts are set out in the Account and Audit Regulations 2003. The Accounts must be signed and dated as approved by the Chairman of the approving Committee.

Section 2 – Report**Background**

2.1 The Statement of Accounts has been prepared in accordance with proper accounting practices and all relevant statutory requirements. The 2011-12 draft Statement of Accounts was produced within the statutory deadline. The external audit began on 2 July 2012.

2.2 The Committee met on 4 September 2012 to receive an update on the audit and the issues arising from the Auditor.

2.3 The 2011-12 Statement of Accounts is set out in Appendix 1. The Auditor will present the ISA260 report on the accounts at the meeting (Appendices 2 and 3). There are no material misstatements. The External Auditor has provided the detail of corrected and uncorrected misstatements in his report. There is no effect on the Financial Statements overall. The Auditor may raise additional points prior to signing off the accounts.

2.4 Some control issues have been highlighted. Officers are addressing these as a priority.

2.5 The final draft Statement of Accounts with fully adjusted misstatements was discussed with members as part of a training session held on the 19th of September 2012. This enabled members to fully examine and ask questions on the Accounts prior to formal sign off by the Chairman of the GARM Committee at this meeting.

2.6 The Annual Audit Letter which sets out the conclusions of the Auditor and the main messages on the Accounts will be prepared following the completion of the audit and the signing of the accounts. Normally this would be presented to the January meeting of the GARM Committee but the Audit Commission timetable for submission has been brought forward, so it is requested that delegated authority is given to the Chairman of the GARM Committee to receive and approve the report, once ready.

Financial Implications

2.7 These are integral to the Statement of Accounts.

Risk Management Implications

2.8 Risk Management in the Council is addressed in the Annual Governance Statement (AGS) included in the Accounts. The audit of the Accounts by the External Auditor provides assurance on the integrity of the Accounts.

Corporate Priorities

2.9 The Statement of Accounts 2011-12 provides assurance that the Council has managed and delivered its finances in accordance with its approved plans and budget.

SECTION 3 - Statutory Officer Clearance

Name: ...Julie Alderson.....	<input checked="" type="checkbox"/>	On behalf of Chief Financial Officer
Date: ...17 September 2012.....		
Name: ...George Curran.....	<input checked="" type="checkbox"/>	On behalf on Monitoring Officer
Date: 17 September 2012		

Section 4 - Contact Details and Background Papers

Contact: Jennifer Hydari, Divisional Director Finance and Procurement
Tel:0208 424 1393

Background Papers: None.