



## **ESPO FINANCE AND AUDIT SUBCOMMITTEE – 8 SEPTEMBER 2015**

### **DRAFT STATEMENT OF ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT 2014/15**

#### **JOINT REPORT OF THE DIRECTOR AND CONSORTIUM TREASURER**

##### **Purpose of Report**

1. This report sets out the Statement of Accounts and Annual Governance Statement for the financial year 2014/15.

##### **Background**

2. Local Authority Accounting requires the organisation to approve the Statement of Accounts and Annual Governance Statement for the financial year 2014/15 and receive the Auditor's report by the end September 2015.
3. The Draft Statement of Accounts were distributed to members on 26<sup>th</sup> June 2015 in accordance with the minutes of the Management Committee meeting held on 24<sup>th</sup> June 2015. The Draft Annual Governance Statement was also considered by the Management Committee at this meeting.

##### **Draft Statement of Accounts and Annual Governance Statement 2014/15**

4. The Draft Statement of Accounts and Annual Governance Statement for 2014/15 are attached as Appendix 1.
5. PriceWaterhouseCoopers (PWC) commenced with the final audit of the accounts on 10<sup>th</sup> August 2015 for two weeks. It is hoped that an oral update on audit progress will be submitted to members on 8<sup>th</sup> September 2015.
6. The CIPFA Code of Practice on Local Authority Accounting requires the organisation to disclose information relating to the impact of an accounting change that will be required by any new standards that has been issued by 1 January 2015 but not yet adopted by the Code for the relevant year. The changes that have not yet been implemented are stated with the Accounts.

##### **Key Points**

7. Value of Land and Buildings:- The Grove Park premises were valued at £10.5m (2013/14 - £10m) in accordance with professional

guidelines. The outstanding long term loan now stands at £7.5m (2013/14 £8.0m). Note 12 in the Statutory Accounts

8. The total net surplus after dividend distribution was £1.9m (2013/14 £1.3m).
9. Total cash balances were £9.8m (2013/14 £8.5m) an increase of £1.3m mainly down to the surplus and a year on year reduction in debtors as detailed in Note 19. The total dividend declared but not yet paid stands at £1.5m (2013/14 £1.5m). Note 16 in the Statutory Accounts
10. Total net assets grew to £12.8m from £10.9m in the prior year. This is principally due to the surplus on provision of services of £1.9m. Page 7 in the Statutory Accounts
11. There are no significant post balance sheet events

### **Resources Implications**

12. None

### **Recommendation**

13. The Subcommittee is asked to
  - a. Note the contents of the report; and
  - b. Recommend that the draft Statement of Accounts for 2014/15 be approved at Management Committee.

### **Equalities and Human Rights Implications**

14. None

### **Background Papers**

15. None

### **Officers to Contact**

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## **Appendices**

Appendix A - Draft Annual Statement of Accounts

Appendix B - Annual Governance Statement