

7a Statement of Accounts 2015/16 and the Independent Auditor's Report to the Partnership 2015/16

o Purpose of Report and Background

This report submits the audited Statement of Accounts for 2015/16 to be approved by the Partnership Board for signature and for the information of the Board, the independent auditor's report on the audit.

o Background

Local Authorities and similar bodies are required to ensure that they demonstrate proper stewardship of their financial affairs. The Statement of Accounts, together with the opinion expressed by the independent auditor on the activities of the Partnership, is designed to meet these requirements.

The auditor for the Partnership, Deloitte LLP, has expressed an unmodified opinion on these Statements and this is detailed in pages 10 to 11 of **Appendix 1**, the Statement of Accounts.

It is also a requirement of the governing regulations that the audited Statement of Accounts will be made available for public inspection and sale to interested parties at a reasonable charge. This charge has been set at £10 in past years and it is proposed that no alteration be made to this charge for printed copies of the Accounts. The audited Statement of Accounts will also be available on the Partnership website and can be accessed and downloaded free of charge.

o Statement of Accounts 2015/16

The Statement of Accounts is prepared in accordance with the Code of Practice for Local Authority Accounting in the UK. The document comprises a number of statements, but Members' attention is drawn to the following main items:

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| Pages 2 – 6 | Management Commentary |
| Pages 10 – 11 | Independent Auditor's Report |
| Page 12 | Movement in Reserves Statement |
| Page 13 | Comprehensive Income & Expenditure Statement |
| Page 14 | Balance Sheet showing the financial position as at 31 March 2016 |

Other prescribed statements are included along with notes to the core financial statements as appropriate. There are no Group Accounts to be commented upon.

o **Independent Auditor Report to the Board**

The independent auditor's report to the Board is an important aspect of the auditor's work in expressing an opinion on the Statement of Accounts. A copy has been included as **Appendix 2** to this report and James Corrigan, the Partnership's Assistant Manager, will be in attendance to speak more fully to the Board on this document. The report covers the principal matters or issues that have arisen from the audit process and provides a useful commentary on the Partnership performance, corporate governance and best value achievement as well as a review of areas of significant audit risk. The report is very positive and attests to the strengths of the systems and controls we have in place to manage the financial activities of the Partnership. The report includes a follow up recommendation which Deloitte made as part of their audit investigations from the previous year. The two action points recommended by Deloitte (page 25 of **Appendix 2**) were reviewed by them and found to be fully implemented.

There are no new action points recommended as part of this year's audit.

o **Recommendations**

The Board is recommended to:

- 1 Approve for signature the audited Statement of Accounts for 2015/16;
- 2 Consider the Independent Auditor's Report;
- 3 Agree that a £10 charge for a printed copy of the Statement of Accounts be made and that the Statements can be accessed and downloaded free of charge from the Nestrans website.

Alan Wood
Treasurer
20 September 2016