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## **DRAFT ANNUAL REPORT AND ACCOUNTS 2016/17**

**Report by Chief Financial Officer**

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### **AUDIT AND SCRUTINY COMMITTEE**

**28 June 2017**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 **This report provides the Audit and Scrutiny Committee with an opportunity to scrutinise the draft Scottish Borders Council Annual Report and Accounts for the year ended 31 March 2017 prior to its submission to the External Auditors.**
- 1.2 The draft Report and Accounts are still subject to Statutory Audit, which will commence late June. Following the Audit process, the final Report and Accounts will be submitted to Council.

#### **2 STATUS OF REPORT**

- 2.1 This report is presented to enable members to consider the draft Annual Report and Accounts (the Annual Report) attached at Appendix 1 prior to External Audit Inspection by the statutory deadline of 30 June 2017.

#### **3 RECOMMENDATIONS**

- 3.1 **It is recommended that the Audit and Scrutiny Committee:**
  - (a) **Notes the Draft Annual Report and Accounts 2016/17 for Scottish Borders Council and associated Group Accounts; and**
  - (b) **Supports its submission for review by the External Auditors, Audit Scotland.**

## **4 BACKGROUND**

- 4.1 The Council's Annual Accounts summarises the financial transactions for the 2016/17 financial year and its balance sheet position at the year-end of 31 March 2017. The Council is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires they be prepared in accordance with proper accounting practice. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and the Service Reporting Code Of Practice 2016/17 supported by International Financial Reporting Standards (IFRS).

## **5 ANNUAL REPORT AND ACCOUNTS 2016/17**

- 5.1 The draft Annual Report and Accounts for 2016/17 (the Annual Report) is attached at Appendix 1. The Annual Report will be submitted to the External Auditors, Audit Scotland for full audit by 30 June 2017.
- 5.2 The Annual Report will also be made available for public inspection for a 3 week period commencing 1 July 2017.
- 5.3 It should be noted that the Annual Report remains draft and the conclusion of the year end work including the external audit may result in changes.
- 5.4 The Committee will receive a copy of the final report at the end of the statutory external audit process to agree prior to its publication.
- 5.5 The key issues and highlights are reflected in the management commentary and in a presentation elsewhere on the agenda.

## **6 IMPLICATIONS**

### **6.1 Financial**

There are no financial implications relating to this proposal.

### **6.2 Risk and Mitigations**

The accounts have been prepared following the accounting codes and with due professional care and attention however; the External Audit process may highlight issues which result in amendments to the draft accounts.

### **6.3 Equalities**

It is anticipated that there are no adverse equality implications.

### **6.4 Acting Sustainably**

There are no direct economic, social or environmental issues with this report which would affect the Council's sustainability.

### **6.5 Carbon Management**

There are no direct carbon emissions impacts as a result of this report.

### **6.6 Rural Proofing**

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

**6.7 Changes to Scheme of Administration or Scheme of Delegation**

No changes are required as a result of the proposals contained in this report.

**7 CONSULTATION**

7.1 The Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted on the report and their comments have been incorporated.

**Approved by**

**David Robertson  
Chief Financial Officer**

**Signature .....**

**Author(s)**

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**Background Papers:**

**Previous Minute Reference:**

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Capital & Investments Team can also give information on other language translations as well as providing additional copies.

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