

## REPORT TO AUDIT COMMITTEE – 5 JULY 2018

### UNAUDITED ANNUAL ACCOUNTS 2017/18 FOR ABERDEENSHIRE COUNCIL AND ITS CHARITABLE TRUSTS

#### 1 Recommendations

The Committee is recommended to:

- 1.1 Consider the unaudited Annual Accounts 2017/18 for Aberdeenshire Council and its Charitable Trusts; and
- 1.2 Approve the Annual Governance Statement.

#### 2 Discussion

- 2.1 Aberdeenshire Council has a statutory responsibility to prepare its Annual Accounts by 30 June, following the 31 March financial year end. The Annual Accounts comply with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The accounts of Charitable Trusts comply with the Charities' Statement of Recommended Practice (FRS102)
- 2.2 In terms of the Local Authority Accounts (Scotland) Regulations 2014, the Council or a Committee with audit responsibilities must meet to consider the unaudited Annual Accounts as submitted no later than 31 August. Therefore the Committee is asked to consider the Annual Accounts 2017/18 for Aberdeenshire Council and its Charitable Trusts.
- 2.3 The Annual Accounts is a complex document, which complies fully with Accounting Standards. In order for the accounts to be accessible and more meaningful, the Management Commentary and Annual Governance Statement have been written with the reader in mind and therefore it is intended that the reader can fully recognise Aberdeenshire Council through this approach.
- 2.4 The Annual Accounts document is designed to be read online, but printed copies were made available to all Committee members in advance of the meeting.
- 2.5 The unaudited Annual Accounts of the Council and its Charitable Trusts will be made available on the Council's website:  
<http://www.aberdeenshire.gov.uk/council-and-democracy/about-us/annual-accounts/> after Committee has considered the Accounts. A printed copy of the Accounts will be placed in the Group Rooms and a bulletin will be placed on ward pages advising all Councillors that the unaudited Accounts for 2017/18 are available online.

- 2.6 The Annual Governance Statement provides assurance on the governance of Aberdeenshire Council's affairs and the stewardship of the resources at its disposal. The Statement confirms that subject to assurances set out in the Statement, the development and implementation of an Action Plan, and on the basis of the evidence contained in this statement, the governance arrangements provide assurance, are adequate and are operating effectively.
- 2.7 The Leader, Chairs of the Policy Committees, Chair of Audit Committee, Chief Executive, Directors and the Chief Officer of the Health & Social Care Partnership have all indicated that they are satisfied that the Annual Governance Statement provides assurance on the governance of Aberdeenshire Council's affairs and the stewardship of the resources at its disposal.
- 2.8 The Accounts have been passed to the Council's external auditors, and the audit will take place over the next few months. The audited accounts will be reported to this Committee on 20 September for approval. Prior to this, an awareness session on the accounts will be arranged, and all Councillors will be invited to this session.
- 2.9 The Audited Accounts for 2017/18 will be reported to Full Council on 27 September 2018.
- 2.10 The Monitoring Officer within Business Services has been consulted in the preparation of this report and had no comments to make and is satisfied the report complies with the Scheme of Governance and relevant legislation.

### **3 Scheme of Governance**

- 3.1 The Committee is able to consider and take a decision on this item in terms of Section G.1.3 of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to a review of the financial statements, management letters or reports and compliance with relevant codes of practice.

### **4 Implications and Risk**

- 4.1 An Equalities Impact Assessment is not required as the actions do not have a differential impact on people with protected characteristics.
- 4.2 There are no changes direct financial or staffing implications arising from this report.
- 4.3 The following Risk has been identified as relevant to this matter on a Corporate Level: Budget Pressures ([Corporate Risk Register](#)). The following Risk has been identified as relevant to this matter on a Strategic Level: Balancing the Books ([Directorate Risk Registers](#)).

**Ritchie Johnson**  
**Director of Business Services**