

AUDIT & GOVERNANCE COMMITTEE – 17 SEPTEMBER 2014

FINAL STATEMENT OF ACCOUNTS 2013/14

Report by the Chief Finance Officer

Introduction

1. The Accounts and Audit Regulations 2011 require the Statement of Accounts 2013/14 to be considered by a committee of the Council by 30 September 2014 and, following that consideration, to be approved by a resolution of that committee. The regulations also require that, following approval, the Statement of Accounts is signed and dated by the chairman of the committee approving the accounts. The Chief Finance Officer must re-certify the Statement of Accounts before the committee approves it.
2. The Statement of Accounts presented for the Audit & Governance Committee's approval reflects minor amendments made following the audit of the accounts. Ernst & Young LLP's annual governance reports set out that no audit issues have been identified as yet during the course of the audit of the main accounts or the Pension Fund accounts. Small changes to some of the disclosure notes have been agreed with the auditors, however these are not significant enough to be reported in their annual governance reports.
3. Given the minor changes that have been made to the accounts, the final version has not been included with the agenda papers. Members should refer to the draft version presented to the Audit & Governance Committee on 2 July 2014 available on the [Council's website](#). The minor changes made to the accounts are explained below.

Main Accounts

4. The table in Note 12 *Audit and Inspection Fee* has been amended to disclose the £0.146m scale fee charge for Code of Practice Work in 2013/14 separately from the £0.020m rebate on the 2012/13 fee received.
5. The wording in Note 21 *Taxation and Non-Specific Grant Income* has been corrected to say that the County Council now receives a 10% share of the business rates collected by the Oxfordshire district councils, not a 20% share per the original wording (20% relates to the County Council's share of the locally retained element).
6. Note 67 *Post Balance Sheet Events* has been revised to reflect that twelve schools have now converted to academies during 2014/15 (six more since the draft accounts were completed) and the value of property, plant and equipment assets transferring has risen from £24m to £50m.

The Local Government Pension Fund Accounts

7. Note 12 *Administration Expenses* and Note 14 *Investment Management Expenses* have been amended to reclassify £0.058m of expenditure between the two, with consequential changes to the Fund Account as set out in the following table:

Fund Account Heading	Draft £'000	Final £'000	Change £'000
Administrative Expenses Borne by the Scheme	1,411	1,469	58
Less Investment Management Expenses	3,669	3,611	-58

8. Corrections have been made to the market value of assets at 31 March 2014 in Note 21 *Assets under External Management* as set out in the following table:

	Draft		Final		Change	
	Market Value £'000	%	Market Value £'000	%	Market Value £'000	%
Fund Manager						
Baillie Gifford	337,925	22.91	337,925	22.89	0	-0.02
Legal & General	538,164	36.48	538,938	36.51	774	0.03
UBS	345,966	23.45	345,989	23.44	23	-0.01
Wellington	190,821	12.93	190,821	12.93	0	0
Adam Street Partners	21,496	1.46	21,496	1.46	0	0
Partners Group	40,856	2.77	40,856	2.77	0	0
Total	1,475,228	100.00	1,476,025	100.00	797	0

9. Additional explanation has been added to the Net Assets Statement, Note 4 *Critical Judgements in Applying Accounting Policies*, Note 9 *Other Income and Expenses*, Note 20 *Long-Term Assets*, together with grammatical and other minor textual amendments to other notes.

Letters of Representation

10. Auditing standards require Ernst & Young LLP to obtain representations from management on certain matters material to their audit opinion. Separate letters of representation are required for the Oxfordshire County Council accounts and the Local Government Pension Fund accounts. The Audit & Governance Committee is required to consider and approve the letters of representation before they are signed by the Chief Finance Officer and the Chairman of the Committee.

Conclusion

11. No material errors were identified during the audit. Changes to the accounts relate to minor amendments to notes to the accounts and the Fund Account of the Pension Fund.

RECOMMENDATION

12. **The Committee is RECOMMENDED to:**
- (i) **Consider and approve the Statement of Accounts for 2013/14 presented to the Committee on 2 July 2014 with the minor amendments listed above;**
 - (ii) **Consider and approve the Letter of Representation 2013/14 for the Oxfordshire County Council accounts;**
 - (iii) **Consider and approve the Letter of Representation 2013/14 for the Oxfordshire Pension Fund accounts.**

Chief Finance Officer

Background Papers: Report on the Statement of Accounts 2013/14 to the Audit & Governance Committee on 2 July 2014

Contact Officer: Stephanie Skivington, Corporate Finance Manager (Tel. 01865 323995)

September 2014