

19 September 2013		ITEM: 8
Standards and Audit Committee		
2012/13 Annual Governance Statement and Financial Statement		
Report of: Sean Clark, Head of Corporate Finance		
Wards and communities affected: N/A	Key Decision: Yes	
Accountable Head of Service: Sean Clark, Head of Corporate Finance		
Accountable Director: Graham Farrant, Chief Executive		
This report is Public		
Purpose of Report: To seek the approval from the committee of the 2012/13 Annual Governance Statement and Financial Statement.		

EXECUTIVE SUMMARY

The Audit Committee received copies of both the draft Annual Governance Statement and draft Financial Statement at their meeting in July 2013. At the time of writing, the audit is still being finalised but Members have already considered the external auditor's interim opinion that both the Value for Money Opinion and Financial Statements will be unqualified.

1. RECOMMENDATIONS:

That the Standards and Audit Committee

- 1.1 Note the issues contained within, and approve, the Annual Governance Statement;**
- 1.2 Having consideration to the comments within the Audit Results Report considered earlier on the agenda, approve the Financial Statement subject to any further changes presented to the committee; and**
- 1.3 Approve the letter of representation on behalf of the Council to be signed by the Chair of the committee once the audit is near completion.**

2. ANNUAL GOVERNANCE STATEMENT:

- 2.1. Thurrock Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.**

- 2.2. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 2.3. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.
- 2.4. This statement explains how Thurrock Borough Council has complied with the code and also meets the requirements of regulation 4(2) of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendment) (England) Regulations 2006 and 2011 in relation to the publication of a statement on internal control.

3. FINANCIAL STATEMENT

- 3.1 The Financial Statement sets out the financial performance for the 2012/13 financial year and the Council's financial position as at 31 March 2013.
- 3.2 There are a number of financial statements and supporting notes set out in the document and an explanatory forward that summarises the performance for the year and highlights challenges and opportunities going forward.
- 3.3 The headline from a Council perspective is that the Council once again came within budget and has maintained reserves at the optimum level set by the Council Responsible Financial Officer and endorsed by Council.

4. CONSULTATION (including Overview and Scrutiny, if applicable)

- 4.1 The accounts were open to the public for inspection.

5. IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

- 5.1 The closure of the accounts gives certainty to the financial position of the Council which is a key part of the budget setting process.

6. IMPLICATIONS

6.1 Financial

Implications verified by: **Sean Clark**
Telephone and email: **01375 652010**
sclark@thurrock.gov.uk

We can confirm that the usable reserves within this restated financial statement are broadly as previously reported throughout the year to Cabinet and there has been no change to the usable reserves as a result of this audit.

6.2 **Legal**

Implications verified by: **David Lawson**
Telephone and email: **01375 652087**
dlawson@thurrock.gov.uk

There are no direct legal implications arising from this report.

6.3 **Diversity and Equality**

Implications verified by: **David Lawson**
Telephone and email: **01375 652087**
dlawson@thurrock.gov.uk

There are no diversity and equality implications resulting directly from this report.

6.4 **Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental**

None

7. **CONCLUSION**

- 7.1 The Council has a strong financial position as set out within these statements but recognises and is planning for the challenges to come.

BACKGROUND PAPERS USED IN PREPARING THIS REPORT:

- There are a number of working papers retained within the Corporate Finance Section.

APPENDICES TO THIS REPORT:

Appendix 1 – Annual Governance Statement

Appendix 2 – Financial Statement

Appendix 3 – Letter of Representation

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