

Appendix 2

Questions for elected members to consider as part of the accounts scrutiny and approval process

Stewardship of the council's funds	Your answer
<p>1. Does the auditor's report included in the accounts give you independent assurance on how the financial position of the council has been reported?</p>	<p>Independent assurance is contained within the external auditor's report.</p>
<p>2. Does the council's governance statement provide you with assurance that the internal controls and governance arrangements are operating effectively? Does it adequately disclose any risk areas that you are aware of?</p>	<p>The information is contained within the Annual Governance statement.</p>
<p>3. Does the annual audit report provide you with assurance that:</p> <ul style="list-style-type: none"> • financial management of the council is effective? • financial sustainability of the council is demonstrated? • the council reports on its financial and service performance in a transparent way? • the council demonstrates Best Value in how its funds are used? • management have responded appropriately to any audit recommendations? 	<p>Information on these areas is contained within the external auditor's report.</p>
<p>Sustainability of services</p>	
<p>4. Does the management commentary in the accounts clearly explain to you the financial position of the council?</p>	<p>The management commentary includes an explanation of the financial outturn, the movement in reserves and balances and any significant movements in the balance sheet and sets out the future outlook.</p>
<p>5. Do you understand how the figures in the comprehensive income and expenditure statement link to the budgetary outturn information that you have considered for this year?</p>	<p>An explanation is provided within the management commentary and in the covering report to the annual accounts.</p>

<p>6. Do you understand how the council's reserves, shown in the movement in reserves statement (MIRS), will be used in the future?</p>	<p>An explanation is provided in the management commentary, the covering report to the annual accounts. There is also a separate report on earmarked reserves.</p>
<p>7. The value of fixed assets is shown in the balance sheet. Do you understand how these assets are managed to secure the delivery of services in the future?</p>	<p>Explanation of the capital outturn is included in the management commentary and the supporting papers to the annual accounts.</p>
<p>8. Are you satisfied that the council's commitments for funding the capital programme, shown as liabilities in the balance sheet, are affordable into the future?</p>	<p>The Annual Treasury Monitoring report provides more explanation on these aspects.</p>
<p>9. If the council has significant borrowings have you received assurances that the council can afford the interest and is keeping up with the repayment of capital?</p>	<p>The Annual Treasury Monitoring report provides more explanation of these aspects.</p>
<p>10. Do you understand what any provisions included in the balance sheet are for? Is there risk that further significant liabilities could arise in the future?</p>	<p>The detail of provisions are contained within the management commentary and also included in a note to the Accounts. Any significant liabilities which cannot be properly quantified at the year-end are disclosed as contingent liabilities.</p>
<p>11. If there is a significant movement in the pension liability, do you understand what has caused the change, and the implications for the council?</p>	<p>An explanation of the movement is provided in the management commentary and covering report to the accounts.</p>
<p>12. Do you understand the reason for any large movements in this year's figures compared with those shown for last year? Are those movements in line with strategic decisions to shift resources?</p>	<p>An explanation of the movement is provided in the management commentary and covering report to the accounts.</p>
<p>13. Do you have suggestions for the s95 officer on how information in the accounts could be presented in a different or more understandable way?</p>	
<p>14. After considering the accounts and the budget outturns you have seen how the council is funding current services. Are you satisfied that adequate plans have been made to realise efficiencies or deliver services in a different way with reduced budgets in the future?</p>	<p>There is a section of the future outlook within the management commentary.</p>