

Report to: **Audit and Governance Committee**

Date of Meeting: 25 July 2019

Public Document: Yes

Exemption: None

Review date for release None



Subject: **Statement of Accounts 2018/19**

Purpose of report: The Council's Statement of Accounts for 2018/19 is linked below to this covering report.

Grant Thornton UK LLP the Council's appointed external auditors have not completed their audit to meet the 31 July deadline due to a lack of staff resources and have as yet not issued an audit opinion on the Accounts.

The Accounts will be presented back to Committee for approval once this work is complete, it is envisaged approval will be sought at the Committee's September meeting.

Recommendation: **To note the position on publishing the 2018/19 Statement of Accounts and audit opinion**

Reason for recommendation: Without the completion of the Statement of Accounts audit the Committee are unable to approve the 2018/19 Accounts at this stage, the opportunity is being taken to present the Accounts for members understanding and questioning.

Officer: Simon Davey, Strategic Lead Finance (CFO/S151)

Financial implications: There are no direct financial implications

Legal implications: There are no direct legal implications

Equalities impact: Low Impact

Risk: Low Risk

Links to background information: • [Link to draft Statement of Accounts 2018/19](#)
Link to Council Plan:

1. Publication and Approval of the 2018/19 Statement of Accounts

- 1.1 The Council complied with the Accounts and Audit (England) Regulations 2015 requirement for the responsible financial officer (Strategic Lead Finance) by no later than 31st May immediately following the end of a year, to sign and date the statement of accounts and certify that it presents a true and fair view of the financial position of the

body at the end of the year to which it relates and of that body's income and expenditure for that year.

- 1.2 The draft Accounts were then published and open to public inspection from 1 June to 12 July, no objection to the Accounts have been raised.
- 1.3 The next requirement is for a member meeting, in our case the Audit and Governance Committee, to consider the Statement of Accounts and approve them. They are then signed and dated by the Chair of the Committee and reconfirmed by the responsible financial officer.
- 1.4 In considering the Accounts, the Audit and Governance Committee would have a report from the External Auditor reporting on the work undertaken on significant risk areas, the financial statements and the control environment in place to support the production of timely and accurate financial statements. An Accounts opinion and Value for Money Arrangements opinion would be presented as part of the External Audit Report.
- 1.5 The Statement of Accounts together with any audit certificate or opinion are required to be published on the Council's website no later than 31st July.
- 1.6 Grant Thornton LLP UK, the Council's appointed external auditors, have notified us that due to a lack of staff resources they will not be able to complete this work by the 31st July. We are not alone in this position but it is extremely disappointing and the Council is in correspondence with Public Sector Audit Appointments (PSAA) who tendered and manage the audit contracts. PSAA have made it clear to us that the reason for delay will be highlighted to Government and blame will not be placed on the Authority.
- 1.7 The regulations state that where an audit of accounts has not been concluded before the 31st July an authority must publish as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the statement of accounts and its reasons for this. This published statement for us will state that the delay in publication is outside the control of the Council as the Auditor is unable to meet the 31st July deadline to complete the audit due to inadequate staff resources.
- 1.8 The next meeting of the Audit and Governance Committee is on 26 September 2019 when it is envisaged the Auditors report and Opinions can be presented. It is right that it is only with this information that the Committee can be asked to approve the Accounts and the Chair to sign them. The Accounts are however being presented on this agenda for the Committees awareness and to take any questions relating to them from members.