

POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	AUDIT COMMITTEE		
DATE:	31 July 2017		
TITLE:	STATEMENT OF ACCOUNTS 2016/2017 AND REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA 260)		
TYPE OF REPORT:	Recommendation		
PORTFOLIO(S):	Cllr B. Long Cllr P. Hodson		
REPORT AUTHOR:	Toby Cowper		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

REPORT SUMMARY/COVER PAGE

PURPOSE OF REPORT/SUMMARY:
<p>The report introduces the Statement of Accounts (SOA) 2016/2017</p> <p>Essentially the Statement is the final accounts set out in a format which includes the Council's balance sheet and associated notes. The report also considers the report from the auditor on the audit for the accounts 2016/2017 – the International Auditing Standard (ISA 260).</p>
RECOMMENDATIONS:
<p>It is recommended that Audit Committee;</p> <ul style="list-style-type: none"> i. Considers the comments of the auditor in the ISA260 ii. Approve the Statement of Accounts for 2016/2017 iii. The Chairmen to signs the Statement of Accounts and the Letter of Representation on behalf of the Borough Council of King's Lynn and West Norfolk
REASONS FOR RECOMMENDATIONS:
<p>The Council must approve the Statement of Accounts for 2016/2017 before 30 September 2017 and consider the comments from the auditor on the ISA 260.</p>

REPORT DETAIL

1. Introduction

- 1.1 The report introduces the Statement of Accounts for 2016/2017 – a statutory document that must be approved by the Council before 30 September 2017. In 2018 under the new legislation the Statement of Accounts must be signed by 31 July. The Statement has been subject to external audit by Ernst & Young (the Council's auditors for 2016/2017).
- 1.2 Cabinet has already received a report on the outturn of the budget for 2016/2017 at its meeting 27 June 2017. This report presents to members the formal set of accounts that are required for audit purposes. The format of the Statement of Accounts is subject to prescription under the International Financial Reporting Standards (IFRS) which is in accordance with the relevant Audit and Account Regulations.
- 1.3 The report from the auditor on the audit for the accounts 2016/2017 – the International Auditing Standard (ISA 260) – provides members with an overview of the findings of the audit.

2 Statement of Accounts 2016/2017

- 2.1 The Council must formally approve the SOA for 2016/2017 by 30 September 2017. Ernst & Young, the external auditor has audited the document and has expressed an opinion that the accounts present fairly the position of the Council as at 31 March 2017 and its income and expenditure for the year then ended.
- 2.2 As the Council's designated S151 Officer, the Executive Director, Finance Services, is responsible for the SOA and certifies her acceptance of the accounts.
- 2.3 Associated with the final accounts the Council is required to sign off an Annual Governance Statement (AGS) which is separately listed on the agenda.
- 2.4 The Balance Sheet from the Statement of Accounts 2016/2017 document is copied below. The Balance Sheet is a 'snapshot' of the Council's financial position at the 31 March 2017.

31 March 2016		31 March 2017	
£'000		£'000	
129,090	Property, Plant and Equipment	135,612	
17,954	Heritage Assets	17,954	
24,225	Investment Property	24,349	
608	Intangible Assets	512	
7,530	Long Term Investments	3,059	
4,297	Long Term Receivables	4,673	
183,704	Long Term Assets	186,159	
18,229	Short Term Investments	18,700	
84	Inventories	95	
11,323	Short Term Receivables	7,610	
1,484	Cash and Cash Equivalents	4,339	
1,091	Assets Held for Sale	2,339	
32,211	Current Assets	33,083	
(2,833)	Provisions	(1,676)	
(4,187)	Short Term Borrowing	(230)	
(12,932)	Short Term Payables	(14,190)	
(19,952)	Current Liabilities	(16,096)	
(395)	Grants Receipts in Advance	(304)	
(13,200)	Long Term Borrowing	(13,000)	
(202)	Other Long Term Liabilities	(230)	
(41,479)	Pension Liabilities	(54,460)	
(55,276)	Long Term Liabilities	(67,994)	
140,687	Net Assets	135,152	
(27,280)	Usable Reserves	(33,946)	
(113,407)	Unusable Reserves	(101,206)	
(140,687)	Total Reserves	(135,152)	

3. Issues for the Panel to Consider

Considers the comments of the auditor in the ISA260

Approve the Statement of Accounts for 2016/2017

The Chairmen to signs the Statement of Accounts and the Letter of Representation on behalf of the Borough Council of King's Lynn and West Norfolk

5. Financial Implications

There are no financial implications that follow the presentation of the Statement of Accounts.

6. Any other Implications/Risks

None

7. Equal Opportunity Considerations

None

8. Consultation

Cllr Brian Long, Cllr Peter Hodson

10. Background Papers

Council agenda/minutes, Financial Plan 2016/2021, Monitoring Reports 2016/2017