

## POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	<b>AUDIT COMMITTEE</b>		
DATE:	27 January 2020		
TITLE:	<b>STATEMENT OF ACCOUNTS 2018/2019 AND REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA 260)</b>		
TYPE OF REPORT:	Recommendation		
PORTFOLIO(S):	Cllr A. Dickinson		
REPORT AUTHOR:	Tina Stankley		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

### PURPOSE OF REPORT/SUMMARY:

The report presents the draft Statement of Accounts (SOA) for 2018/2019.

The Statement of Accounts reviews the financial year and explains in detail what money the Council has received and spent in the year. It also provides an overview of the Council's financial position at each end of the year i.e. the balance sheet and associated notes. This report also considers the report from the auditor on the audit for the accounts 2018/2019 – the International Auditing Standard (ISA 260).

### RECOMMENDATIONS:

It is recommended that Audit Committee;

- i. Considers the comments of the auditor in the ISA260.
- ii. Delegates authority to the Chair of the Audit Committee to approve the Statement of Accounts for 2018/2019 once all the outstanding matters have been resolved and the outstanding adjustments have been made.
- iii. Approves that the Chair of the Audit Committee sign the Statement of Accounts and the Letter of Representation on behalf of the Borough Council of King's Lynn and West Norfolk when the accounts are finalised.

### REASONS FOR RECOMMENDATIONS:

The Audit Committee must approve the Statement of Accounts for 2018/2019 and consider the comments from the auditor on the ISA 260. As there are still adjustments to be made to the Statement of Accounts for 2018/19 the version available for presentation to this Audit Committee meeting are draft accounts. Therefore it is necessary to ask that the Audit Committee delegate the approval of the Statement of Accounts.

## **1. Introduction**

- 1.1 The report presents the draft Statement of Accounts (SOA) for 2018/2019 – a statutory document that must be approved by the Audit Committee. The SOA has been subject to external audit by Ernst & Young (the Council’s auditors for 2018/2019). This audit whilst essentially complete has still to be finished and there are outstanding adjustments to be made to the SOA.
- 1.2 Cabinet has already received reports on the outturn position for the year compared to the revenue and capital budgets for 2018/2019, at its meeting 18 June 2019. The outturn position forms part of the SOA, the format of which 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 2018/2019 – the International Auditing Standard (ISA 260) – provides members with an overview of the findings of the audit.
- 1.4 A hard copy of the draft Statement of Accounts 2018/2019 (subject to Audit) has been sent to all members of the Audit Committee.

## **2 Statement of Accounts 2018/2019**

- 2.1 The Audit Committee must formally approve the SOA for 2018/2019. 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 2019 and its income and expenditure for the year then ended.
- 2.2 As the Council’s designated S151 Officer, the Interim Head of Financial 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.

## **3. Issues for the Committee to Consider**

1. Considers the comments of the auditor in the ISA260
2. Delegates authority to the Chair of the Audit Committee to approve the final version of the SOA for 2018/2019
3. Approves that the Chair signs the SOA and the Letter of Representation on behalf of the Borough Council of King’s Lynn and West Norfolk

## **4. Financial Implications**

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

## **5. Any other Implications/Risks**

None

## **6. Equal Opportunity Considerations**

None

## **7. Background Papers**

Council agenda/minutes, Financial Plan 2018/2023, Monitoring Reports 2018/2019