

Annual Accounts 2018/19

REPORT TO AUDIT AND STANDARDS COMMITTEE



DATE	17 July 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	01282 425011
EMAIL	amushtaq@burnley.gov.uk

PURPOSE

1. To present the Council's audited Statement of Accounts for 2018/19, to obtain the formal approval of the Committee to the audited accounts, and to ask that they be signed by the chair of the Committee.
2. To ask the Audit and Standards Committee to approve the Letter of Representation from the Head of Finance & Property to Grant Thornton (the external auditors) and to ask that it be signed by the chair of the Committee.
3. To inform the Audit and Standards Committee of the audit findings.

RECOMMENDATION

4. Members are asked to:
 - a) Approve and sign the Statement of Accounts
 - b) Approve and sign the Letter of Representation
 - c) Note the audit findings

REASONS FOR RECOMMENDATION

5. To ensure that the Council complies with its statutory duty to consider, approve and sign by way of committee and publish the audited Statement of Accounts by no later than 31 July 2019.

SUMMARY OF KEY POINTS

6. The 2018/19 Statement of Accounts have been produced under the Code of Practice on Local Authority Accounting in the UK to 2018/19 standards.
7. The Council complied with its statutory duty to publish an unaudited Statement of Accounts by the 31 May 2019. The Statement of Accounts were certified by the Head of Finance and Property, as the Councils statutory Chief Finance Officer on the 29 May 2019 and published on the Councils website for public inspection.
8. The external audit of the Statement of Accounts has now been concluded by Grant Thornton and I am pleased to report that the Councils auditors are satisfied that the

accounts present a true and fair view of the Councils financial position. The audited Statement of Accounts is attached for information and final approval as Appendix 1.

9. Elsewhere on the agenda is the Auditors report on the 2018/19 Statement of Accounts and governance arrangements and the Councils approved Annual Governance Statement.
10. There have been two material changes to the draft Statement of Accounts which are detailed in Note 32, both result in the restatement of the 2017/18 figures for a downward revaluation of property and a reclassification of short-term financial investments. The 2018/19 figures have been updated to reflect the potential effect of the McCloud case on the pension liability. In addition there have been a few minor changes to the Statement of Accounts as agreed with the external auditors.
11. There has been one recommendation for the Council to subject the asset register to a detailed review as a result of audit testing identifying a fully depreciated asset which had been disposed still being recorded on the asset register. During 2019/20 we intend to undertake a full review of the existing asset register.
12. The wording of the external auditor's opinion on the Statement of Accounts and the conclusion on the Council's arrangements for securing value for money is contained within the auditor's Audit Findings Report (Appendix 3). Once the opinion and conclusion have been formally disclosed to the Committee they will form part of the published Statement of Accounts on the Council's website. The chair of the Audit and Standards Committee is required to sign the Statement of Accounts prior to the publication.
13. Part of the process of obtaining a favourable opinion from the external auditor is that representations are required to be made by the Chief Financial Officer about a range of issues upon which confidence is placed during the course of the audit. These representations are contained in the Letter of Representation which is attached as Appendix 2. The Head of Finance and Property, as the Council's statutory Chief Finance Officer (Section 151 Officer), will sign this letter at your meeting after discussion with the Audit and Standards Committee. In accordance with external audit requirements the chair is also asked to sign the letter of representation.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

14. Audited Statement of Accounts as Appendix 1

POLICY IMPLICATIONS

15. None

DETAILS OF CONSULTATION

16. None

BACKGROUND PAPERS

17. None

FURTHER INFORMATION

PLEASE CONTACT:

Asad Mushtaq

ALSO: