

This Report will be made public on 22 September 2020



Report Number **AuG/20/07**

To: Audit and Governance Committee
Date: 30 September 2020
Head of Service: Charlotte Spendley, Director of Corporate Services
Cabinet Member: Councillor David Monk, Leader of the Council

Subject: Statement of Accounts 2019/20

Summary: In accordance with the Accounts and Audit (Coronavirus) Amendments Regulations 2020 the council must consider and approve its Statement of Accounts no later than 30 November 2020. The Accounts have been subjected to audit, the details of which are set out in Grant Thornton's Audit Findings report.

Reasons for recommendations:

The Committee is asked to agree the recommendations set out below because the Accounts and Audit (Coronavirus) Amendments Regulations 2020 require the council to consider and approve its Statement of Accounts no later than 30 November, to enable publication to be made by that date.

Recommendations:

1. To receive and note Report AuG/20/07.
2. To approve the Statement of Accounts 2019/20.

1. INTRODUCTION AND BACKGROUND

- 1.1 The 2019/20 Statement of Accounts is prepared in accordance with the relevant Code of Practice on Local Authority Accounting in the United Kingdom and the Service Reporting Code of Practice, supported by International Financial Reporting Standards (IFRS).
- 1.2 The Ministry of Housing, Communities and Local Government (MHCLG) confirmed the details of the changes made to the Accounts and Audit Regulations 2015 in a letter to authorities on 3 April 2020. The Accounts and Audit (Coronavirus) Amendments Regulations 2020 (SI 2020/404) extend the statutory audit deadline for 2019/20 for all local authorities.

The council must comply with the provisions of the Accounts and Audit (Coronavirus) Amendments Regulations 2020. Concerning the signing, approval and publication of the Statement of Accounts:-

- i) The responsible financial officer must, no later than 31 August 2020, sign and date the statement of accounts and certify that it presents a true and fair view of the financial position of the council at the end of the financial year and of the council's income and expenditure for that year. The Director of Corporate Services in her role as Chief Finance Officer, signed and dated the accounts on 18 June 2020.
- ii) The council must, no later than 30 November 2020, consider and approve the statement of accounts by way of resolution. The accounts are submitted for consideration and approval under this Agenda.
- iii) Following approval by this Committee, the person presiding at the Committee must sign and date the statement of accounts.
- iv) No later than 30 November 2020, the council must publish its statement of accounts (including the annual governance statement and narrative statement) together with any certificate or opinion entered by the auditor.

2. STATEMENT OF ACCOUNTS 2019/20

- 2.1 The draft Statement of Accounts were presented to the Committee at its meeting on 30th July 2020, at which time external audit was underway. The external audit is substantially complete at the time of writing this report and there have been no material changes to the financial statements, subject to a few final outstanding matters.
- 2.2 Details of minor changes to disclosure notes are enclosed in Grant Thornton's Audit Findings Report presented at this meeting.

3. AUDIT OF THE ACCOUNTS

- 3.1 The Accounts and Audit (Coronavirus) Amendments Regulations 2020 require the statement of accounts for 2019/20 to be prepared by 31 August and the audit completed by 30 November.

- 3.2 The Finance team have worked extremely hard since March and managed to publish the draft accounts on the 18th June, well ahead of the revised statutory deadline of 31st August.
- 3.3 Grant Thornton's audit team have been on site since the 30th June and the audit of the accounts is in its final stages at the time of preparing this report. Their Audit Findings Report will be presented for consideration at this meeting.
- 3.4 The copy of the accounts at Appendix 1 has been updated to reflect known changes to disclosure notes arising from the audit findings, but for reasons of timing it does not include the final audit opinion. An updated version of Appendix 1 will be circulated to Members either before the meeting on 30 September (if available) or at the meeting, highlighting any further changes made. This is the version that Members will be asked to approve.

4. CONCLUSION

- 4.1 The Committee is asked to approve the Statement of Accounts for 2019/20 in accordance with the Accounts and Audit (Coronavirus) Amendments Regulations 2020.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's Comments (AK)

There are no legal implications arising directly out of this report that are not already referred to in the report.

5.2 Finance Officer's Comments (CS)

This report has been prepared by Financial Services and all financial matters contained within the body of the report.

Diversity and Equalities Implications (CS)

- 5.3 There are none arising directly from this report

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Charlotte Spendley – Director of Corporate Services

Telephone: 07935 517986

email: charlotte.spendley@folkestone-hythe.org.uk

The following background documents have been relied upon in the preparation of this report:

Appendices:

Appendix 1: Draft Statement of Accounts 2019/20