

BOROUGH OF KETTERING

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Report Originator	Head of Resources Mark Dickenson	Fwd Plan Ref: N/A	
Wards Affected	All	26 th September 2019	
Title	STATEMENT OF ACCOUNTS – 2018/19		

1. PURPOSE OF REPORT

To present the Council's draft Statutory Statement of Accounts (for the financial year 2018/19) for member approval.

2. BACKGROUND

- 2.1. Local Government accounts for 2018/19 are required to be prepared in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom 2018/19*(the Code).
- 2.2. The Council's Statement of Accounts for 2018/19 is submitted to members of this Committee as a separate document with this report. An electronic copy of the accounts is available at:

https://www.kettering.gov.uk/downloads/file/18668/statement_of_accounts_2018-19_draft
- 2.3. The audit report should have been received from EY before 31st July 2019 and should have formed part of the final formal publication of this document. It was reported to the Monitoring and Audit Committee at its meeting on 21st May that EY were experiencing staff turnover and challenges in recruiting new staff, which effected the audit timetable for the 2018/19 audit and resulted in the audit being delayed and taking place during August and September 2019. The priority for EY was to ensure that a high quality audit was undertaken and this was key in ensuring their responsibilities were met in issuing the correct audit opinion.
- 2.4. In order to comply with the statutory requirements of the Accounts & Audit Regulations 2015, the Responsible Financial Officer is required to sign the accounts by 31st May. The draft accounts for 2018/19 were signed on 23rd May 2019.
- 2.5. The external auditors commenced the audit on 12th August which was significantly later than the previous year when the audit commenced on 18th June 2018. The accounts still remain in draft format as there has been a delay to receiving IAS 19 assurance in relation to the Northamptonshire Pension Fund. EY are not able to audit the Pension Fund for 2018/19 until Northamptonshire County Council's accounts for 2017/18 have been signed off by KPMG.
- 2.6. The Councils governance arrangements require this Committee to receive and approve the Statement of Accounts. For the financial year 2018/19, the accounts

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require approval by 31st July 2019 for the reasons outlined the accounts were unable to be audited and subsequently approved by this date.

- 2.7. The Council had again met the statutory reporting deadlines for the production of the accounts but owing to the delay experienced by EY did not meet the formal approval of the accounts.
- 2.8. Annually the Public Sector Audit Appointments (PSAA) publish details of authorities who have not met the 31st July date for publishing their audited accounts. The PSAA have said they will ensure that in any report they issue the reasons for the delays will be clearly explained.
- 2.9. The Statement of Accounts has been prepared in accordance with all relevant statutory reporting requirements. This makes the document very technical in nature and quite complex in parts.
- 2.10. The ISA 260 which is a separate report to this committee provides details of audit differences to those presented in the draft accounts.
- 2.11. If Members have specific questions about the Statement of Accounts it would be appreciated that if possible these could be notified to the report author prior to the meeting to enable an informed answer to be provided.

3. RECOMMENDATIONS

- 3.1 Members approve the draft Statement of Accounts for the financial year 2018/19 subject to the conclusion of the audit.
- 3.2 Any non-material adjustments required to the draft Statement of Accounts are agreed with the Chair of the Monitoring and Audit Committee.

Background Papers:

Title of Document: Final Accounts Working Papers

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