

Draft Statement of Accounts 2018/19

Summary: As part of the current work programme, the Governance, Risk and Audit Committee will approve the Council's audited Statement of Accounts. To aid with this process, the draft Statement of Accounts is presented in this report for early scrutiny by the Committee.

Conclusion: The Draft Statement of Accounts as presented in Appendix A fulfils the Council's obligation to publish by 31st May each year.

Recommendation: That Members note the draft statements at **Appendix 1** to this report.

Cabinet member(s):	Ward(s) affected:
All	All
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1. Background

- 1.1. The Council is required by the Accounts and Audit Regulations 2015 to publish a fully audited Statement of Accounts (complete with Auditor's opinion on the Statements), Annual Governance Statement and Narrative Statement by 31st July each year. Draft Statements must be published by 31st May, and can be found by members of the public on the Council's website.
- 1.2. The Governance, Risk and Audit Committee will approve the final audited Statement of Accounts at the July meeting. This report gives Committee members the opportunity to get early sight of the Statements and ask any questions they may have in advance of the audit.

2. Issues for discussion

- 2.1. IFRS 9 – A new accounting standard governing Financial Instruments (the Council's investments and borrowing) was introduced for financial years starting 1st April 2018, which has been reflected in the 2018/19 draft accounts. Because of this, Notes 39 and 40 look significantly different from previous years.
- 2.2. Borrowing – The Council has undertaken external borrowing during the year and had £3m outstanding at 31st March. This is a departure from recent years where the Capital programme funding and liquidity levels meant borrowing was not necessary. This is shown in the Statement of Accounts (note 39) as a new item for 2018/19.
- 2.3. Audit of Statements – EY, the Council's external auditors will be conducting the audit of the Statements commencing 1st July. This is scheduled to be completed to allow final sign off at the July GRAC meeting, although there is a risk that this may not happen if auditor resourcing continues to be an issue.

3. Conclusion

- 3.1 The Council is required to produce a Statement of Accounts each year, in draft by 31st May and fully audited by 31st July. This report the draft to Committee, which was published on 31st May in line with statutory guidance.

4. Recommendation

- 4.1 That Members note the draft statements at **Appendix 1** to this report.

Attachment

Appendix 1 – Draft Statement of Accounts