

Report To:	OVERVIEW (AUDIT) PANEL
Date:	30 July 2018
Executive Member/ Reporting Officer:	Cllr Fairfoull – Executive Member (Performance and Finance) Kathy Roe – Director of Finance Tom Wilkinson – Assistant Director of Finance
Subject:	AUDITED STATEMENT OF ACCOUNTS 2017/18
Report Summary:	This report presents the final audited Statement of Accounts for Tameside MBC and Greater Manchester Pension Fund for the year ended 31 March 2018.
Recommendations:	<ol style="list-style-type: none"> 1) That the Panel notes the findings of external audit reported in agenda item. 2) That the Panel approves the audited Statement of Accounts for 2017/18 (Appendix 2), including the core statements, notes to the accounts and supplementary financial statements.
Links to Community Strategy:	The Community Strategy helps to determine Council priorities for spending, which is summarised in the 2017/18 accounts.
Policy Implications:	There are no policy implications flowing from the Statement of Accounts.
Financial Implications: (Authorised by the Section 151 Officer)	<p>The Statement of Accounts 2017/18 provide full details of the Council's financial position at 31 March 2018 and its income and expenditure for the year there ended. The accounts are prepared in accordance with the CIPFA Code of Practice for Local Authority Accounting which is based on International Financial Reporting Standards.</p> <p>The Council was required to prepare draft financial statements by 31 May 2018. These draft financial statements have been subject to external audit and must be approved by the Overview (Audit) Panel by 31 July 2018.</p>
Legal Implications: (Authorised by the Borough Solicitor)	There is a statutory duty imposed on the Council to be able to provide adequate evidence for all its financial activities set out in the Local Government and Housing Act 1989. The preparation of the annual accounts and the audit of those accounts is the main mechanism by which the adequacy of those records is tested.
Risk Management:	<p>The audit provides external verification of the Council's financial statements.</p> <p>By producing the annual Statement of Accounts, the Council aims to give all interested parties confidence that the public money that has been received and spent, has been properly accounted for and that the financial</p>

standing of the Council is secure.

Access to Information

The background papers relating to this report can be inspected by contacting the report writer, Heather Green, Finance Business Partner by:



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1. BACKGROUND

- 1.1 It is necessary to consider the Audit Findings report of the Council's external auditor (Grant Thornton) regarding the Statement of Accounts before approving the audited accounts. The Audit Findings report for the Council and the Greater Manchester Pension Fund, which is administered by the Council, have been considered earlier on this agenda and the adjustments highlighted as part of the audit have been included in the report.

2. INTRODUCTION

- 2.1 The current legislation enables the draft Statement of Accounts to be certified by the Director of Finance (Section 151 Officer) and this was completed on the 30 May 2018. Publication of the draft Statement of Accounts was required by 31 May 2018, one month earlier than the previous year, and the audit must be completed by 31 July 2018, two months earlier than last year. The external auditors commenced their work on site in July and will conclude before the meeting of the Overview (Audit) Panel on 30 July 2018.
- 2.2 The Statement of Accounts 2017/18 provide full details of the Council's financial position at 31 March 2018 and its income and expenditure for the year there ended. The accounts are prepared in accordance with the CIPFA Code of Practice for Local Authority Accounting, which is based on International Financial Reporting Standards. **Appendix 1** provides an overview of the form and content of the financial statements. The full financial statements, including the statements for the Greater Manchester Pension Fund, are included in **Appendix 2**.
- 2.3 Whilst the external audit work is on-going, the audit is substantially complete and a draft Audit Findings Report has been received. There is one audit amendment that impacts on the main statements and a small number of presentational amendments. No changes have been required that fundamentally alter any assessment of the Council's financial position at 31 March 2018 or its income and expenditure for the year then ended. No issues have been identified, which cast fundamental doubt on the overall adequacy of the financial records and the accounts maintained by the Council. The presentational adjustments recommended by external audit have also helped to improve the overall quality of the accounts and have not impacted on the financial position reported.
- 2.4 The Tameside MBC Statement of Accounts 2017/18 (**Appendix 2**) has been amended in line with the Audit Findings report (ISA260). Due to the on-going audit, there is a small risk that the accounts as presented in **Appendix 2** could require further amendments and these will be reported to members at the meeting on 30 July 2018. However, the substantial audit areas have been tested and any changes, if necessary, are likely to be minor.

3. MATTERS ARISING FROM THE AUDIT

- 3.1 The attached Statement of Accounts includes the audited accounts for both the Council and Greater Manchester Pension Fund, which is administered by the Council. The Statement of Accounts 2017/18 has been adjusted for those items which the auditors have recommended and Officers have disclosed. All these changes have been agreed by management and all the amendments have been incorporated.
- 3.2 There is one amendment that impacts the Balance Sheet and Comprehensive Income and Expenditure Statement of the Council, relating to the disposal of assets for Academy Schools. This amendment is not material to the financial statements. All other amendments are presentational and improve the overall quality of the Statements.

- 3.3 The purpose of this report is to recommend that the Panel approves the Statement of Accounts for 2017/18 including the adjustments recommended by the external auditors, which improve the overall accuracy, clarity, and consistency of the document. The Panel is asked to approve the core statements and the supplementary notes; that is, the overall income and expenditure position, the balance sheet position including the movement in the levels of reserves (general and earmarked) and the cash flow analysis.

4. RECOMMENDATIONS

- 4.1 As set out at the front of the report.