

Report to:	AUDIT PANEL
Date:	29 July 2019
Executive Member/ Reporting Officer:	Cllr Ryan – Finance and Economic Growth Kathy Roe – Director of Finance
Subject:	STATEMENT OF ACCOUNTS 2018/19
Report Summary:	This report presents the Statement of Accounts for Tameside MBC and the Greater Manchester Pension Fund for the year ended 31 March 2019.
Recommendations:	Audit Panel are asked to: <ol style="list-style-type: none"> 1. Note the findings of external audit, the amendments to the accounts and unadjusted misstatements reported in the previous agenda item 6; 2. Approve the Statement of Accounts for 2018/19, subject to the conclusion of the external audit; and 3. Approve delegated authority to the Director of Finance to agree any further presentational amendments to the financial statements arising from the conclusion of the external audit. In the unlikely event of any substantive amendments to the primary statements, these will be discussed with the Chair of Audit Panel prior to the signing and publication of the final audited Statement of Accounts.
Corporate Plan:	The Corporate Plan helps to determine the priorities for spending, which is summarised in the 2018/19 accounts.
Policy Implications:	There are no direct policy implications flowing from the Statement of Accounts.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	The Statement of Accounts 2018/19 provide full details of the Council's financial position at 31 March 2019 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. The Council was required to prepare draft financial statements by 31 May 2019. These draft financial statements have been subject to external audit and must be approved by the Audit Panel by 31 July 2019.
Legal Implications: (Authorised by the Borough Solicitor)	The <u>Local Audit and Accountability Act 2014</u> (the Act) governs the work of auditors appointed to authorities and other local public bodies. The Act, the <u>Accounts and Audit Regulations 2015</u> and the <u>Local Audit (Public Access to Documents) Act 2017</u> also cover the duties, responsibilities and rights of local authorities, other organisations and the public concerning the accounts being audited. Non compliance with these provisions could lead to the issue of an advisory notice by the External Auditor, with the ultimate sanction of judicial review, as only a court can ultimately decide whether a local authority's decision, or failure to decide something it should have, is unlawful.

Risk Management:

The audit provides external verification of the Council's financial statements.

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 standing of the Council is secure.

Access to Information:

The report is to be considered in public.

Background Information:

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



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1. BACKGROUND

- 1.1 It is necessary to consider the Audit Findings report of the Council's external auditor (Mazars) 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 (Item 6) 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 28 May 2019. External Audit commenced their work on site at the end of June and expect to issue their opinion to meet the statutory deadline of 31 July 2019.
- 2.2 The Statement of Accounts 2018/19 provide full details of the Council's financial position at 31 March 2019 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. The full financial statements, including the statements for the Greater Manchester Pension Fund, are included in Appendix 1.
- 2.2 The external audit work is nearing completion. A number of amendments to the accounts have been agreed with External Audit as set in Item 6 on this agenda.

3. MATTERS ARISING FROM THE AUDIT

- 3.1 As set out in the report at Item 6 on this agenda, three amendments have been made to the financial statements. Two amendments relate to prior periods and adjustments have been made to Heritage Assets and Assets under Construction in respect of previous years. An amendment has been made to the balance sheet at 31 March 2019 in respect of Investment Properties. The Statement of Accounts attached at Appendix 1 incorporate the amendments agreed with External Audit and the amended figures are highlighted in yellow.
- 3.2 A small number of presentational amendments have also been made but no changes have been required that fundamentally alter any assessment of the Council's financial position at 31 March 2019 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.

4. APPROVAL OF THE AUDITED STATEMENTS

- 4.1 The external audit of the Statement of Accounts is substantially complete but subject to final review and completion procedures by External Audit. The Audit Panel is asked to approve the Statement of Accounts attached at appendix 1, which includes the amendments agreed with external audit.
- 4.2 The Audit Panel is also asked to approve delegated authority to the Director of Finance to make any further disclosure amendments recommended by External Audit as part of the conclusion of their audit. In the unlikely event of any substantive amendments to the primary statements, these will be discussed with the Chair of Audit Panel prior to the signing and publication of the final audited Statement of Accounts.

5. RECOMMENDATIONS

5.1 As set out at the front of the report.