



Name of meeting: Corporate Governance and Audit Committee
5 July 2019

Title of report: Update on the Council's final accounts for
2018/19

Purpose of report

The report updates Members on the final accounts and audit processes for 2018/19.

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| Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards? | Not applicable |
| Key Decision - Is it in the Council's Forward Plan (key decisions and private reports)? | No |
| The Decision - Is it eligible for "call in" by Scrutiny? | No |
| Date signed off by Strategic Director & name | Rachel Spencer-Henshall xxx |
| Is it also signed off by the Service Director for Finance, IT and Transactional Services? | Eamonn Croston xxx |
| Is it also signed off by the Service Director for Governance and Commissioning Support? | Julie Muscroft xxx |
| Cabinet member portfolio | Cllr Shabir Pandor Cllr Graham Turner |

Electoral wards affected: Not applicable

Ward councillors consulted: Not applicable

Public or private: Public

GDPR: This report contains no information that falls within the scope of General Data Protection Regulations.

1. Summary

The report updates Members on the final accounts and audit processes for 2018/19 and asks Members of this Committee to receive the Council's Unaudited Statement of Accounts for 2018/19 incorporating the draft Annual Governance Statement.

The process of producing the accounts for 2018/19 went smoothly and the draft accounts were signed on 30 May by the Council's Service Director - Finance, in line with the new early closedown requirements.

The six week public inspection period for the draft accounts 2018/19 has commenced and runs from 3 June to 12 July 2019. The audit of the 2018/19 Statement of Accounts has also commenced.

This Committee is responsible for the approval of the Council's Audited Statement of Accounts and the final version of the Annual Governance Statement once the audit has been completed.

There is an outstanding objection, which was raised on 14 July 2017 and relates to the lawfulness of three of the Council's Private Finance Initiative schemes; two schools related and one housing related. KPMG have been working on this objection and have recently issued a provisional view and it is hoped that it will be fully resolved in time for the meeting of this committee on 26th July when it is anticipated that the Statement of Accounts and audit opinion will be approved. It should be noted that the outstanding objection has not impacted on the audit work in connection with the Statement of Accounts for 2018/19 and has not affected the audit opinions in 2016/17 and 2017/18 and likewise will not affect the opinion on the 2018/19 Statement of Accounts. Members of this Committee are asked to note this development and to await the final view from KPMG.

2. Information required to take a decision

- 2.1 The Council's draft Annual Governance Statement was approved at the Committee's 26th April meeting.
- 2.2 The process for producing the accounts went smoothly and the draft accounts were signed on 30 May 2018 by the Service Director-Finance. This in line with the new statutory sign off deadline of 31 May 2019. The draft accounts have been available to view on the Council's website.
- 2.3 The six week public inspection period for the draft accounts 2018/19 has commenced and runs from 3 June to 12 July 2019. The audit of the 2018/19 Statement of Accounts has also commenced.
- 2.4 It is intended that the audited Statement of Accounts are presented to this Committee for approval on 26th July 2019.

3. Implications for the Council

- 3.1 **Working with People**
N/A
- 3.2 **Working with Partners**

- N/A
- 3.3 **Placed based working**
N/A
- 3.4 **Improving Outcomes for Children**
N/A
- 3.5 **Reducing demand of services**
N/A
- 3.6 **Other (e.g. Legal/Financial or Human Resources)**

The annual statement of accounts are subject to external validation by appointed auditors to ensure that Council funds are also properly accounted for.

4. Consultees and their opinions

N/A

5. Next steps

It is intended that the Audited Statement of Accounts and Annual Governance Statement are presented to this Committee for approval on 26 July 2019.

6. Officer recommendations and reasons

For Corporate Governance and Audit Committee to note that the Unaudited Statement of Accounts have been published, to note the dates of the public inspection period and also to receive an explanatory paper to accompany the Accounts.

7. Cabinet portfolio holder's recommendations

Not applicable

8. Contact officer

James Anderson Senior Finance Manager
01484 221000 james.anderson@kirklees.gov.uk

9. Background Papers and History of Decisions

Unaudited Statement of Accounts:
<https://www.kirklees.gov.uk/beta/delivering-services/pdf/statement-of-accounts-2018-19.pdf>

Explanatory Paper: Appendix 1
Accounts and Audit Regulations 2015
Local Audit and Accountability Act 2014

10. Service Director responsible

Eamonn Croston

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