

Audit Committee

Monday, 30 July 2018

Additional Amendments to Item 5 – Audit Completion Report 2017/18 Statement of Accounts 2017/18

The following amendments have been required to the Statement of Accounts presented as part of the above item following a technical review from BDO LLP.

All of the adjustments are purely presentational and have no effect upon the balances shown in the core financial statements. The adjustments have been listed in order of importance to the overall reading of the Financial Statements:

- 1) Agenda page 141 – Note 16 Dedicated Schools Grant - DSG table – the line “Agreed initial budgeted distribution in 2017/18” on ‘Individual school budget’ column changed to £81,987. The line “In year adjustments” on ‘Individual school budget’ column increased from £0 to £3,370 to ensure correct casting.
- 2) Agenda page 165 – Note 26 Nature and Extent of Risks from Financial Instruments – maturity analysis of financial liabilities – figures relating to short term debt were omitted meaning that changes were required to both the tables on this page as follows:
 - a. Table 1 (31 March 2018)
 - i. Less than one year – increase by £1.793m
 - ii. Between one and two years – increase by £1.471m
 - iii. Between two and five years – increase by £3.765m
 - iv. More than five years – reduction of £5.127m
 - b. Table 2 (Actual 31 March 2018)
 - i. Between two and five years – reduction of 0.44%
 - ii. Between five and ten years – increase of 2.01%
 - iii. More than ten years – reduction of 1.58%
- 3) Agenda page 166 – Note 26 Nature and Extent of Risks from Financial Instruments – Interest Rate Risk - the paragraph under the table says ‘Other loans and accounting adjustments from £10m to £8.964m
- 4) Agenda page 167 - Note 26 Nature and Extent of Risks from Financial Instruments – Interest Rate Risk - table - Increase in interest receivable on variable rate investments changed to a negative number (as income) and impact on CIES shown as a net figure.
- 5) Agenda page 186 – Note 39 Related Parties - the proposed disclosure for “One councillor was a Director of Metro Centre Ltd (up to 24 January 2018). The Council made payments of £30.5k in 2017/18 and owed them £0 as at 31 March 2018” was not made and has now been included.
- 6) Agenda page 99 – Movement in Reserves Statement – comparative and current year tables amended to include zeros where there were no values to be consistent.
- 7) Agenda page 139 – Note 14 Officers Remuneration – remuneration bandings were shown as £130,000 to £134,999 and then jumped to next banding of £150,000 to £154,999. The 3 missing bands have been included, although none included any values.
- 8) Agenda page 158 – Note 24 Investment Properties – all lines with nil values in both years have been removed.
- 9) Agenda page 180 – Note 35 Defined Benefit Pension Schemes - last paragraph, first line has been corrected from stating “table above” to “table below”.
- 10) Agenda page 186 – Note 39 Related Parties - last paragraph – comparatives still shown as (£45k in 2015/16) and have now been corrected to 2016/17.
- 11) Agenda page 187 – Note 39 Related Parties – stated “Loans given to MDG amount to £350k”. This should have read MCG should have been included before the paragraph about Medway Development Company Limited. The line “Loans given to MDCL amount to £27k” should also have been included after the paragraph about Medway Development Company Limited. Also, MDCL was not defined in the note so this should have been included after the company name in brackets. All these amendments have been made.
- 12) Agenda page 198 – Supplementary Financial Statements – Housing Revenue Account - Note 2 (b) Non-Rentable Dwelling Stock – stated “The Council owned 1 non rentable dwelling (a flat) as at 31 March 2018” but should have read nil and has therefore been amended accordingly.