

AUDIT COMMITTEE

29 JULY 2019

AUDIT FINDINGS REPORT 2018/19 AND STATEMENT OF ACCOUNTS 2018/19 - ADDENDUM REPORT

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Summary

This report details amendments to the Statement of Accounts presented in item 5 of the Agenda.

1. Budget and Policy Framework

- 1.1 The Audit Commission's Code of Audit Practice and International Standard of Auditing (ISA 260) requires the results of the audit to be reported to those charged with governance. This Committee has been delegated with the responsibility for considering these reports and agreeing the Council's response. In addition, the Committee, on behalf of the Council, must explain reasons for not adjusting the Statement of Accounts for the issues raised within the auditor's report. All amendments to factual data have been made.
- 1.2 The Accounts and Audit Regulations 2015 require that the Audit Committee consider these issues by 31 July 2019.

2. Background

- 2.1 The draft Statement of Accounts for 2018/19 (agenda item 5) has been found to require some further amendments, in the main due to an error in which an out of date version of some elements was sent for publication in the agenda. In addition, as the Auditors have continued work to complete their Audit they have identified some further, minor amendments.
- 2.2 The elements of the Statements that have been amended are presented in the appendices of this Addendum Report, with those figures changed highlighted in red. The remainder of the Statements remain as published in the main agenda.
- 2.3 None of these amendments have any overall impact on the reported net expenditure for the year ending 31 March 2019.

3. Amendments to the Statements

- 3.1 The Amendments made since the publication are as follows:
- 3.2 Comprehensive Income & Expenditure Statement (CIES, Appendix 1 to this report) – As reported in Appendix C of the Audit Findings Report, the amendments made correct the erroneous grossing up of grant income and expenditure in the draft statements; there is no impact on the bottom line of the CIES.
- 3.3 Balance Sheet, and Note 32 – Creditors (Appendices 2 and 3 to this report) – As reported in Appendix C of the Audit Findings Report, the amendments made correct the classification of investments between short term and long term investments; there is no impact on the bottom line of the Balance Sheet.
- 3.4 Movement in Reserves Statement (MiRS, Appendix 4 to this report) – The amendments correct the subtotals, which were incorrect in the original version; there is no impact on the bottom line of the MiRS.
- 3.5 Note 14 – Officers Remuneration (Appendix 5 to this report) – As reported in Appendix C of the Audit Findings Report, the amendments made correct the errors in the original Note; there is no impact on the core financial statements.
- 3.6 Note 25 – Financial Instruments (Appendix 6 to this report) – The amendments reflect additional disclosures agreed with the Auditor; there is no impact on the core financial statements.
- 3.7 Note 35 – Capital Adjustment Account within Unusable Reserves (CAA, Appendix 7 to this report) – The amendments correct an error on revaluation gains and a compensating adjustment on the amounts written off on disposal; there is no impact on the bottom line of the CAA.

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Appendices

Appendix 1 – Amended CIES
Appendix 2 – Amended Balance Sheet
Appendix 3 – Amended Note 32 – Creditors
Appendix 4 – Amended MiRS
Appendix 5 – Amended Note 14 – Officers Remuneration
Appendix 6 – Amended Note 25 – Financial Instruments
Appendix 7 – Amended Note 35 – Capital Adjustment Account

Background papers

None