

For publication

Audit Report on the 2017/18 Statement of Accounts

Meeting: Standards & Audit Committee

Date: 25th July 2018

Report by: Director of Finance & Resources

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1.0 Purpose of report

- 1.1 To approve the Statement of Accounts for 2017/18.
- 1.2 To receive the external auditor's 'Report to those Charged with Governance'.
- 1.3 To approve the 'Letter of Representation'.

2.0 Background

- 2.1 The Accounts and Audit Regulations require that:
 - No later than 31st May following the financial year end the responsible financial officer must certify the annual accounts as presenting a true and fair view of the financial position of the authority at 31st March; and
 - No later than 31st July the annual accounts and audit opinion must be approved by members and published.

The Standards and Audit Committee is the nominated body for approving the accounts. The audited Statement of Accounts (SoA) is included as **Annexe 1**.

- 2.2 The Cabinet considered the overall outturn report for 2017/18 on the 15th May. The Cabinet report provides more of a commentary on the outturn, variances from budgets, level of reserves, etc.
- 2.3 Each year the appointed auditor is required to "communicate audit matters to those charged with Governance", namely this committee. The Auditor will present the 'Report to those Charged with Governance' (**Annexe 2**). The report gives details of any adjustments that had to be made to the accounts following the audit and also includes the audit opinion and value for money conclusion.
- 2.4 The Council's auditors are required to obtain written representations from management in respect of various matters relating to the accounts in the form of a 'Letter of Representation'.

3.0 Audited Statement of Accounts 2017/18

- 3.1 There were no significant changes introduced to the requirements for presentation of the Statement of Accounts in 2017/18.
- 3.2 The Statement of Accounts 2017/18 has been audited by the Council's External Auditors, KPMG.
- 3.3 Some minor changes have been made to the Statement of Accounts in order to address issues identified during the audit. However, the overall financial position remains the same as that reported to Cabinet on 15th May 2018.

4.0 Report to Those Charged With Governance

- 4.1 The Auditor's report is included as **Annexe 2**. The Auditor will present the report and answer any questions.

5.0 Management Letter of Representation

- 5.1 The Management Letter of Representation must be prepared by the Council's Responsible Financial Officer after having made appropriate enquiries of other officers. This Committee, 'as those charged with governance', must acknowledge their collective responsibility for the compilation of the financial statements and consider the adequacy of the letter.
- 5.2 A copy of the letter is included as **Annexe 3** and provides representations in respect of fraud, compliance with laws and regulations, contingent liabilities, related party disclosures, and post balance sheet events.

6.0 Recommendations

- 6.1 That the Committee approves the Statement of Accounts for 2017/18.
- 6.2 That the Committee receives the Report to those Charged with Governance.
- 6.3 That the Committee approves the Management Letter of Representation.

7.0 Reason for Recommendations

- 7.1 To comply with statutory requirements

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	

Document information

Report author	Contact number/email
Helen Fox	01246 345452/helen.fox@chesterfield.gov.uk
Background documents None	
Appendices to the report	
Annexe 1	Statement of Accounts 2017/18
Annexe 2	Final ISA 260 report 2017/18
Annexe 3	Management letter of representation 2017/18