



AUDIT AND GOVERNANCE COMMITTEE:

29 October 2019

Report of: Borough Treasurer

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SUBJECT: APPROVAL OF STATEMENT OF ACCOUNTS

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To approve the Council's annual Statement of Accounts.

2.0 RECOMMENDATION

2.1 That the Statement of Accounts set out in Appendix 1 be approved.

3.0 BACKGROUND

3.1 A report on the Statement of Accounts for 2018-19 was considered by this Committee at its meeting in May, and the unaudited accounts were published on the Council's website at this time.

3.2 A number of changes to the Statement of Accounts were then agreed by this Committee at its meeting in July as follows:

Financial Instruments

The narrative for Note 1 Accounting Policies ix. Financial Instruments and Note 16 Financial Instruments has been amended and updated to reflect comments made by the auditors. This change doesn't affect any of the figures shown in the accounts.

McCloud pension case

The statement has been updated to reflect a legal case on pensions that only became clear after the draft statement had been produced. Revised figures from the pensions actuary have been incorporated which have a bottom line effect of

increasing the net pension deficit by £656,000. This change doesn't affect the usable reserves of the Council at this time but this factor will have a "real" impact when the next actuarial review of the pension fund is undertaken.

Contingent Assets and Liabilities

The last 2 paragraphs on NNDR appeals have been deleted from note 38 on Contingency Assets and Liabilities as this wording is no longer required as these issues have been covered under Council provisions in 2018/19. This change doesn't affect any of the figures shown in the accounts.

- 3.2 It is part of the terms of reference of this Committee that it will approve the Council's Statement of Accounts each year, and this takes place after the Audit Findings report is received from our external auditors.

4.0 APPROVAL OF STATEMENT OF ACCOUNTS

- 4.1 The external auditors will present their findings from their audit of the accounts in a separate report elsewhere on the agenda. It is expected that an unqualified opinion will be provided and that there will be no further changes required on the accounts to those agreed by this Committee in July. A full version of the statement of accounts is included in the Appendix.
- 4.2 It should be noted that an additional issue on the accounts was raised in August in terms of the under recovery of Street Cleansing costs for work undertaken on setting up and dismantling market stalls. This issue was below the triviality level set for the audit of the accounts and so has not been adjusted for in the 2018/19 accounts. This position has however been corrected in the current financial year.

5.0 SUSTAINABILITY IMPLICATIONS

- 5.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

6.0 RISK ASSESSMENT

- 6.1 The audit of the Statement is part of the overall control framework that is designed to ensure that the Council properly accounts for the use of its assets and resources.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix 1 – Statement of Accounts