



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Governance and Audit Committee

13 August 2020

Report of: Councillor Adam Stokes

Cabinet Member for Finance and
Resources



2019/20 Draft Statement of Accounts

This report provides the Governance and Audit Committee with the opportunity to review the draft version of the 2019/20 Statement of Accounts.

Report Author

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Corporate Priority:	Decision type:	Wards:
Administrative	Administrative	All Wards

Reviewed by:	Alison Hall-Wright, Head of Finance	3 August 2020
Approved by:	Richard Wyles, Interim Director of Finance	4 August 2020
Signed off by:	Councillor Adam Stokes, Cabinet Member for Finance and Resources	4 August 2020

Recommendation to the decision maker

It is recommended that the Governance and Audit Committee reviews the draft Statement of Accounts 2019/20 and raises any issues which may need consideration.

1 The Background to the Report

- 1.1 A draft copy of the 2019/20 Statement of Accounts is now available for review by this Committee prior to the completion of the audit process and is attached to this report at Appendix 1.
- 1.2 In accordance with the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020, the statutory deadline for completing the 2019/20 audit and publishing the final accounts is 30 November 2020.
- 1.3 The proposed public inspection period will begin on 17 August 2020 and will continue until 27 September 2020. During this time members of the public can exercise their right to inspect the accounts. A notice to that effect is published on the Council's website.
- 1.4 Following completion of the audit, the final accounts will be presented to this Committee together with the audit opinion.
- 1.5 The Narrative Report section of the Statement of Accounts provides a guide to the most significant matters reported. It explains the Council's financial position and assists in the interpretation of the accounting statements. It provides information about the district, including issues and challenges affecting the Council and its accounts, the political composition, the ambitions of the Council and an overview of the many achievements that have been made to improve the quality of life of the residents, businesses and visitors.
- 1.6 Pages xi to xiii of the Narrative Report provide a review of the core statements.
- 1.7 The impact of the Covid-19 pandemic on the interpretation of the statements has been referenced in the Narrative Report and Note 3: Assumptions made about future and other major sources of uncertainty and Note 4: Non-adjusting post balance sheet events.
- 1.8 The Council is required to produce an Annual Governance Statement (AGS) in accordance with the CIPFA/SOLACE framework "Delivering Good Governance in Local Government" in order to meet the statutory requirement set out in Regulation 6 of the Accounts and Audit Regulations 2015. The statement is an open and transparent review of the effectiveness of the Council's system of governance, risk management and internal control, including performance across all its activities.
- 1.9 Members are asked to ensure that the AGS for 2019/20 is an open and transparent reflection of the governance arrangements for that financial year.
- 1.10 The AGS forms part of the annual accounts and is reviewed by External Audit. This document is currently being updated to reflect the impact of COVID-19 and will be presented to the Committee at its next meeting.
- 1.11 It has been requested that Group Accounts be prepared to reflect the Council's relationship with Gravitas, this statement is being prepared and will be incorporated into the final Statement of Accounts.
- 1.12 As the audit progresses there may be further amendments which will be incorporated into the accounts. The Committee will be informed of any changes when the final accounts are presented for their approval.

2 Consultation and Feedback Received, Including Overview and Scrutiny

- 2.1 Not applicable.

3 Available Options Considered

3.1 It is a statutory requirement to prepare an annual statement of accounts.

4 Preferred Option

4.1 Not applicable

5 Reasons for the Recommendation (s)

5.1 To have the opportunity to review and draw the attention of the Council to issues arising out of the draft before publishing the final Statement of Accounts.

6 Next Steps – Communication and Implementation of the Decision

6.1 Not applicable.

7 Financial Implications

7.1 These are included in the report.

Financial Implications reviewed by: Richard Wyles, Interim Director of Finance

8 Legal and Governance Implications

8.1 The Statement of Accounts must be published by the Council before the 30 November 2020. It is the responsibility of the Governance and Audit Committee to approve the Statement of Accounts on behalf of the Council. This is the Committee's opportunity to review the unaudited statements prior to them being published.

Legal Implications reviewed by: Shelley Hardy – Legal Executive

9 Equality and Safeguarding Implications

9.1 There are no equality or safeguarding implications arising from this report.

10 Risk and Mitigation

10.1 Risk has been considered as part of this report and no exceptional/high risks have been identified.

11 Community Safety Implications

11.1 There are no community safety implications arising as a result of this report.

12 How will the recommendations support South Kesteven District Council's declaration of a climate emergency?

12.1 Not applicable.

13 Appendices

13.1 Appendix 1 – 2019/20 Draft Statement of Accounts

Report Timeline:	Date of Publication on Forward Plan (if required)	Not applicable
	Previously Considered by:	Not applicable
	Final Decision date	13 August 2020