

CORPORATE AFFAIRS AND AUDIT COMMITTEE

Report title	Statement of Accounts 2017/18
Chief Executive or Director	Strategic Director of Finance, Governance and Support
Date	26 th July 2018
Purpose of the report	The purpose of the report is for Members to review and approve the Council's Statement of Accounts for 2017/18.
Summary of the report	The draft Statement of Accounts for 2017/18 were approved by Corporate Affairs and Audit Committee on 29 th May 2018. The draft accounts have subsequently been reviewed by the Council's auditors, Ernst Young and the amended audited accounts are being presented to Members of the Committee for approval.
If this is a confidential report, which category of exemption(s) from the Schedule 12a of the Local Government Act 1972 applies?	Not applicable.
Decision(s) asked for	It is recommended that Members of the Corporate Affairs and Audit Committee approve the 2017/18 Statement of Accounts.
Impact of decision(s)	It is a statutory requirement that all Councils have their audited accounts for 2017/18 approved by Members and published on the Council website on or before 31 st July 2018.
Contact:	John Shiel, Head of Financial Governance and Revenues. john_shiel@middlesbrough.gov.uk Tel: 01642 729548

What is the purpose of this report?

1. The purpose of the report is to for Members to review and approve the 2017/18 Statement of Accounts.

Why is this report necessary?

2. The report is necessary because it is within the remit of this committee to consider and approve the audited Statement of Accounts.

Report detail

3. The draft Statement of Accounts for 2017/18 were presented to this Committee on 29th May 2018. Members of the Committee were also given the opportunity to attend a briefing session with the Head of Financial Governance & Revenues on 27th June 2018 to go through the draft accounts in more detail. A number of questions and requests for additional information were raised at this session and written responses were circulated to all Members of the Committee.
4. The draft accounts are currently being audited by the Council's auditors Ernst Young (EY) who expect to give an unqualified opinion on the financial statements i.e. the accounts give a true and fair view of the financial position of the Council as at 31st March 2018 and have been prepared in accordance with the CIPFA Code of Practice.
5. As is usual during the audit process, EY have identified several issues that required changes to be made to the draft accounts and these have been reflected in the revised final accounts. Details of the adjustments that have been made to the accounts have been included in EY's audit results report. None of the changes have an impact on the Council's overall financial position.

Why is this being recommended?

6. It is a statutory requirement of the Accounts and Audit Regulations 2015 that the audited 2017/18 Statement of Accounts are approved by Members of the Committee and published on the Council's website on or before 31st July 2018.

Other potential decisions and why these have not been recommended

7. Not applicable (see paragraph 6 above).

Impact of recommended decision

8. Approval of the audited accounts demonstrates that the Council is fully compliant with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 and that the accounts give a true and fair view of the financial position of the Council as at 31st March 2018.

Legal

9. See paragraph 6 above.

Financial

10. The accounts highlight the fact that the Council is in a stable financial position with the level of reserves and general balances being in line with those included in the Council's Medium Term Financial Plan.

The Mayor's Vision for Middlesbrough

11. The report forms part of the governance framework that ensures the Council's corporate governance arrangements are fit for purpose, ensuring the Council is best placed to support delivery of the Mayor's vision.

Policy Framework

12. This report will not result in an amendment to the policy framework.

Wards

13. There are no specific financial or ward implications arising from this report.

Equality and Diversity

14. There are no direct implications arising from this report on equality and diversity.

Risk

15. Failure to approve and publish the accounts by 31st July 2018 in line with the statutory requirements would lead to reputational damage to the Council and possible Government intervention.

Actions to be taken to implement the decision(s)

16. Following approval, the Statement of Accounts will be published on the Council's website in line with statutory requirements.

Appendices

17. Appendix 1 – copy of the 2017/18 Statement of Accounts.

Background papers

18. Draft Statement of Accounts report to Corporate Affairs and Audit Committee, 29 May 2018.

Contact: John Shiel – Head of Financial Governance & Revenues

Email: john_shiel@middlesbrough.gov.uk