

Body:	Audit and Standards Committee
Date:	17 July 2018
Subject:	Statement of Accounts 2017/18
Report of:	Deputy Chief Executive
Cabinet member:	Councillor Bill Giles (Cabinet Member for Finance)
Ward(s):	ALL
Purpose of the report:	To update members on the progress of the Statement of Accounts 17/18 and the audit of these accounts
Recommendation:	Members are asked to note the position in regard to the Statement of Accounts 17/18.
Reasons for recommendations:	<p>1 The Accounts and Audit Regulations 2015 require the Chief Finance Officer and Councillors to certify and approve an audited set of accounts for publication by no later than 30 July.</p> <p>2 As the completion the final accounts or 17/18 was delayed the auditors, BDO LLP, will now commence their work at the beginning of August.</p>
Contact:	Pauline Adams Head of Finance Pauline.adams@lewes-eastbourne.gov.uk 01323 415979
1.0 Introduction	
1.1	The statutory deadline for local authorities to publish draft accounts and make them available to the auditor has come forward this year by one month, from 30 June to 31 May. The deadline for completion of the publication of the audited accounts has been brought forward by two months, from 30 September to 31 July.
2.0 Statement of Accounts 17/18	
2.1	Due to circumstances outside the Council's control the draft accounts were not completed until 25 th of June, 3 weeks behind schedule.
2.2	The reasons for this delay were due to:
	1. The failure of the external valuer appointed to carry out revaluations of council property for balance sheet purposes, to report the outcome

	<p>of their review in accordance with the timetable that they had agreed to. The final valuations were not received until 28th May. This was particularly disappointing given that members of the Finance team met with the valuer before appointing them, commissioned the valuation early in the calendar year, and stressed throughout that there was no room for slippage</p>
	<p>2. Having finally received the valuation information, the next stage was to process it through the asset register software. This software has been used successfully for a number of years to calculate, among other things, the depreciation charges on the tens of thousands of asset components that the Council holds. This year, there were technical problems with the performance of the system, and the final accounting information only become available by 18th June.</p>
	<p>Once all the asset management information was made available this had to be fed into all the major financial statements and the analysis required for various notes to the Accounts. The Finance team achieved this within one week and the accounts were finally completed on 22nd June.</p>
3.0	Audit of Accounts
3.1	<p>The Accounts were sent to the Council's external auditors on 25th June, and following discussions with the Audit Manager it was agreed to delay the start of audit until August, as it would have been extremely onus for both the auditors and the finance to have completed all the audit work by the end of July.</p>
3.2	<p>The audit will now commence at the beginning of August and the final accounts and audit report will be submitted to this Committee for approval at its September meeting.</p>
4.0	Consultation
4.1	<p>The draft accounts are available on the Council's Web site and are open for public inspection when any taxpayer of the Borough is entitled to come, inspect and make copies of the accounts and all books, deeds, contracts, bills, vouchers and receipts related to those accounts.</p>
8.0	Financial appraisal
8.1	<p>The final outturn for the 17/18 year was presented to Cabinet on 2 July 2018.</p>
9.0	Legal implications
9.1	<p>The auditor has made the monitoring officer aware of the situation and informed Public Sector Audit Appointments Limited of the delay.</p>
11.0	Conclusion
11.1	<p>The preparation of draft accounts for 17/18 was delayed and not submitted</p>

	to the auditors until 3 weeks after the deadline required by regulation.
11.2	The external audit work will now commence at the beginning of August and the results reported to this Committee at its September meeting.