

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Finance and Audit Committee

Date: 21 December 2023

Reporting officer: Sarah Parfitt – Director (Corporate Services)

Subject: Statutory Statement of Accounts for 2019/20

Purpose and summary of report:

To present Members with the draft Statement of Accounts for 2019/20 for consideration.

To seek approval from the Committee for the Chair of the Finance and Audit Committee to sign the audited Statement of Accounts for 2019/20 and the Letter of Representation.

Recommendations:

1. Members consider the draft Statement of Accounts for 2019/20.
2. Members agree that the Chair of the Finance and Audit Committee sign the Statement of Accounts for the Council, subject to any final comments received by the External Auditor. Any further amendments required will be notified to members of the Finance and Audit Committee
3. Members approve the letter of representation at Appendix Two of the report for signing by the Chair of the Finance and Audit Committee

Key Implications:	
Item	Implications
Legal	The Statement of Accounts have been prepared in accordance with The Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 (the Code) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Accounts & Audit Regulations 2015 require the Council to prepare, in accordance with proper practices in relation to accounts, a statement of accounts for each year. The statement of accounts is required to be certified by the Section 151 Officer as presenting a true and fair view of the Council's financial position. The Finance and Audit Committee are required to approve the statement of accounts.
Finance and Value for Money	The Statement of Accounts summarises the financial performance of the Council for the financial year 2019/20, with this being best presented through the Comprehensive Income and Expenditure Statement and the Balance Sheet. The Narrative Statement

	provides the reader of the Statement of Accounts with a transparent, true and fair view of the financial performance and standing of the Council as at 31 March 2020 as well as commentary on the Council's financial performance and its economy, efficiency and effectiveness in using its resources over the financial year.
Corporate Plan	<p>There are no direct implications for the Council's strategic priorities.</p> <p>The work of the External Auditor provides assurance of the council's financial management arrangements and as such provides evidence of the delivery against: -</p> <p>Financial responsibility: a financially sustainable authority, driven by a strong Medium Term Financial Strategy, enforced by a suite of effective financial monitoring controls.</p>
Climate Change	No direct implications

1. Background to the report

- 1.1. Information regarding the Statement of Accounts for 2019/20 was provided via a video link for members to access ahead of the committee meeting.
- 1.2. The appointed external auditor for the 2019/20 accounts was Grant Thornton UK LLP. The appointed external auditor is required to give an opinion on whether or not the Statement of Accounts provides a true and fair view of the financial position and the results of operations of the Council for the year.
- 1.3. The Finance & Audit Committee are required to approve the Statement of Accounts following receipt of the audit opinion and audit findings report from the appointed external auditor.

2. External Auditor Findings

- 2.1. As at the time of writing this report, the External Auditor anticipates providing a modified opinion in respect of the financial statements of the Council for the year 2019/20.
- 2.2. This in the main is in relation to the accounting for HRA valuations and The St George's Shopping Centre Transaction.
- 2.3. The full detail of Auditor findings is presented in the updated Audit Findings Report which is included in this agenda.

3. Finance and Audit Committee approval of the Statement of Accounts 2019/20

- 3.1. Having duly considered the Audit Findings Report in the previous agenda item. Member are invited to consider the draft Statement of Accounts for the year ended 31 March 2020.
- 3.2. As set out in the Audit Findings report, the audit is substantially complete and subject to outstanding queries being resolved, the External Auditors anticipate issuing a modified audit opinion following this Committee meeting. On the basis the audit

opinion from the appointed external auditor has not yet been formally issued, members of the committee are requested to agree that the Chair of the Finance & Audit Committee sign the Statement of Accounts for the Council, subject to any final comments received by the External Auditor. Any amendment required to the Statement of Accounts will be notified to Members of the Finance & Audit Committee.

4. Letter of Representation

- 4.1. At Appendix Two Members are presented with a letter of representation drafted on behalf of the Council that is required in connection with the audit of the financial statements of the Council. The letter sets out the Council's confirmation that the financial statements provide a true and fair view. Members are invited to approve the letter for signing on behalf of the committee by the Chair of the Finance & Audit Committee.

5. Appendices

- 5.1. The following documents are to be published with the report:

- Appendix One – Draft Statement of Accounts for Gravesham Borough Council – Year end 31 March 2020
- Appendix Two – Letter of Representation

6. Background Documents

- 6.1. There are no background papers to this report.

Lead Officer: Lisa Nyon, Assistant Director, Corporate Services.

Email: lisa.nyon@gravesham.gov.uk

Secondary Implications	
Risk Assessment	No direct implications
Data Protection Impact Assessment	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data?</p> <p>A definition of each type of data can be found on the Information Commissioner's Office website via the above links.</p> <p>N/A</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice?</p> <p>N/A</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk.</p> <p>N/A</p>
Equality Impact Assessment	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p>N/A</p> <p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>N/A</p> <p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i></p>
Crime and Disorder	No direct implications
Digital and website implications	No direct implications
Safeguarding children and vulnerable adults	No direct implications