

**Status of Report: Public**

**Meeting: Combined Fire Authority**

**Date: 26 July 2019**

**Subject: Statement of Accounts and Annual Governance Statement 2018/19**

**Report By: The Treasurer**

**Author: Adam Stretton (Area Manager Business Support)**

**For: Noting**

### **Purpose**

1. The purpose of this report is to update the CFA on the production and audit of the Statement of Accounts and Annual Governance Statement 2018/19.

### **Recommendations**

2. The Committee is asked to note the update on the production and audit of the Statement of Accounts and Annual Governance Statement 2018/19.

### **Executive Summary**

3. The draft Statement of Accounts and Annual Governance Statement (AGS) for the financial year 2018/19 were signed by the Treasurer and published by 31 May 2019, as required by the Accounts and Audit Regulations. They were considered by the Corporate Governance Committee on 17 July 2019.
4. The CFA's new external auditor, Mazars, undertakes an audit of the CFA accounts in line with the Code of Audit Practice and Auditing Standards.
5. The completed accounts, AGS and the external auditor's annual governance report would usually be approved by the CFA at this July meeting. However, the audit is not yet complete and hence approval is expected to be sought at the September meeting of the CFA.

### **Report Detail**

6. The draft Statement of Accounts, including the AGS, was signed by the Treasurer, published and submitted to the external auditor by 31 May 2019 as required by the Regulations. The revenue and capital outturn were in accordance with the year-end position reported to the CFA at its meeting of 19 June 2019.
7. Unusually, the external audit work will not be complete in time for the final statement of accounts, AGS and auditor's annual governance report to be presented to this meeting for approval. This is due to unforeseen difficulties in concluding the accounts and the audit work, including the impact of late national legal judgements in

relation to pensions which have led to the accounts being changed. This latter issue was reported to the CGC.

8. The external audit report and opinion and approval of the accounts are therefore expected to be presented to the CFA at its September 2019 meeting.
9. As required by regulations, an updated draft Statement of Accounts will however be published by 31 July, with a note reflecting that the external audit is not yet complete.

## **Report Implications / Impact**

### **10. *Legal (including crime and disorder)***

The Accounts and Audit (England) Regulations 2015 require that the responsible financial officer (the Treasurer) certifies the initial Statement of Accounts within two months of the financial year end i.e. by 31 May. The final Statement of Accounts and AGS are then to be published by 31 July, together with any certificate or opinion entered by the auditor in accordance with section (20)2 of the Local Audit and Accountability Act 2014(a). It is noted that this latter requirement will not be fully achieved on this occasion.

### **11. *Financial (including value for money, benefits and efficiencies)***

These are contained within the report.

### **12. *Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)***

None identified.

### **13. *Staff, Service Users and Stakeholders (including the Equality Impact Assessment)***

The arrangements and changes for the posts of Treasurer, Monitoring Officer and Chief Fire Officer are reflected within the draft AGS.

### **14. *Environmental***

Hard copies of the Annual Report (which will include the Statement of Accounts) are only produced on request. An electronic copy will be available on the CFA's website.

### **15. *Impact upon Our Plan Objectives***

- a) The Finance and Resources strategic aim of demonstrating value for money is expected to be supported by the External Auditor's opinion on the 2018/19 Statement of Accounts and Value for Money conclusion.
- b) The Governance strategic aim of providing assurance is expected to be supported by the External auditor's opinion on compliance of the AGS to the CIPFA/SOLACE "Delivering Good Governance Framework (2016)".

## **Background Papers**

Revenue and Capital Outturn 2018/19 (CFA Report – 19 June 2019)

<https://leics-fire.gov.uk/wp-content/uploads/2019/06/revenue-and-capital-outturn-2018-19-.pdf>

Draft Statement of Accounts and Annual Governance Statement 2018/19 (Corporate Governance Committee Report – 17 July 2019)

<https://leics-fire.gov.uk/wp-content/uploads/2019/07/draft-statement-of-accounts-and-annual-governance-statement-2018-19.pdf>

## **Appendices**

None.

## **Officers to Contact**

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