

# Audit Committee

25 June 2020



**Report of:** Director of Finance

**Title:** Statement of Accounts Year Ended 31 March 2019

**Ward:** City Wide

**Officer Presenting Report:** Denise Murray

**Contact Telephone Number:** 0117 3576255

## Recommendation

- 1. Audit Committee approves the Statement of Accounts for the year ended 31 March 2019.**

## Summary

This report should be considered alongside the final ISA260 report previously presented at the meeting of 28 May 2020 by the Council's external auditor.

The Statement of Accounts sets out the Council's financial position as at the 31 March 2019 along with a summary of its income and expenditure for the year to 31 March 2019. The financial statements are the main method of demonstrating financial accountability and stewardship.

The accounts presented for approval have been updated as detailed below following review by Grant Thornton of the report into the Council's wholly owned subsidiary Bristol Energy.



## **Policy**

None affected by this report.

## **Consultation**

### **1. Internal**

Executive Members and senior management

### **2. External**

The draft accounts were available for public inspection.

## **Background and Context**

1. The draft 2018/19 Annual Accounts were first presented to Audit Committee on 28 May 2019. During the audit of the accounts several errors or omission were highlighted by external auditors Grant Thornton. Where these were material in nature the Council have made adjustments to the accounts in line with these findings. Where not material the Council have not amended the 2018/19 account but the findings have been reviewed and fed into Council's accounts processes.
2. Audit Committee last considered the draft accounts at its meeting of the 28 May 2020. Approval was deferred pending review of report regarding Bristol Energy by external auditors and any revisions required to the 2018/19 statement of accounts and or associated disclosure notes.
3. The version attached to this report includes an updated Post Balance Sheet Event note to reflect the decision taken to proceed with the sale of Bristol Energy, noting that due to the extent of the uncertainty with regard to that process an estimate of the financial implications can't be made at this point.
4. There has also been a minor change to the Senior Officers Remuneration note to more accurately reflect the overall remuneration position for the post of Monitoring Officer.
5. Grant Thornton have also provided an enhanced Audit Report (pages 23 – 33 of the Statement of Accounts), representing their final opinion for the year.
6. The Council's Statement of Accounts has been prepared in accordance with The Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 (the Code) which is based on International Reporting Standards (IFRS). This is necessary to ensure that accounts of all Government funded bodies provide comparable and consistent information.
7. The External Auditors, Grant Thornton, propose to issue an unqualified audit opinion on the Council's financial statements and have confirmed that they are free from material error. Prior to approving the accounts the Auditor requires that the Audit Committee considers the matters raised in the Annual Governance

Statement for 2018/19. The Committee considered and agreed the Annual Governance Statement for 2018/19 in July 2019 and further noted at the meeting in May 2020 an additional disclosure relating to the Group financial position.

8. Attached at Appendix 2 is the Letter of Representation. This is provided by the Council in connection with the audit of the financial statements for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 and applicable law.

#### **Other Options Considered**

Not applicable

#### **Risk Assessment**

The Statutory Accounts need to be formally published as soon as practicable. This report, together with the Annual Governance Statement, forms part of the assurance process.

#### **Public Sector Equality Duties**

None necessary for this report

#### **Legal and Resource Implications**

##### **Legal**

None arising from this report

##### **Financial**

None arising from this report.

##### **Land**

Not applicable

##### **Personnel**

Not Applicable

#### **Appendices:**

Appendix 1 Statement of Accounts 2018/19

Appendix 2 Letter of Representation

#### **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

##### **Background Papers:**

*Final Accounts working papers held in Corporate Finance*