

AUDIT COMMITTEE	AGENDA ITEM No. 4
15 July 2019	PUBLIC REPORT

Report of:	Peter Carpenter - Acting Director of Corporate Resources	
Cabinet Member(s) responsible:	Cllr Seaton - Cabinet Member for Finance	
Contact Officer(s):	Peter Carpenter - Acting Director of Corporate Resources	Tel. 384564

SUPPLEMENTARY PAPER - AUDIT OF STATEMENT OF ACCOUNTS TO THOSE CHARGED WITH GOVERNANCE (ISA260)

1. BACKGROUND

- 1.1 This supplementary paper has been produced in order for Audit Committee to receive the final draft Statement of Accounts for 2018/19.
- 1.2 This paper fulfils the action contained in the report (Item 4 on the agenda) noted in point 4.8:

“At the time of drafting the papers for Audit Committee two other areas of the accounts are still to be finalised with auditors. The recent McCloud ruling could result in changes to the accounts and this should be known following the receipt of a revised report from the actuaries. Amendments with regards to the Property, Plant and Equipment (PPE) note are still being finalised with audit. Therefore a supplementary paper will be issued in due course which will include these adjustments. It is hoped that this will be prior to Audit Committee on the 15 July 2019.”

2. SUMMARY OF THE AMENDMENTS

- 2.1 The following table shows the amendments that have been made to the Statement of Accounts since the agenda item was published. Amendments have been made in relation to:
- Understatement of property, plant and equipment disposals (per point 4.15 of Item 4 Report)
 - Revaluations - correction of valuation provided
 - Reclassification of Town Hall into Investment Properties
 - Pension liability increase as a result of:
 - the McCloud ruling - approximately £1.2m on past service costs
 - the reduction in asset value - approximately £8.8m as a result of more current valuations as at end of March 2019.

Amendment	Comprehensive Income & Expenditure Statement (CIES)	Balance Sheet
Plant and equipment disposals	Dr Other Operating Income & Expenditure £6.6m Dr Financing and Investment Income & Expenditure £15.1m Cr Movement In Reserves Statement £21.7m	Cr Long Term Assets £21.7m Dr Unusable Reserves £21.7m
Revaluations	Dr Cost of Services £0.7m Cr Movement In Reserves Statement £0.7m	Dr Long Term Assets £3.2m Cr Unusable Reserves £3.2m

Reclassification of Town Hall	Cr Cost of Services £0.2m Dr Movement In Reserves Statement £0.2m	Cr Long Term Assets £0.6m Dr Unusable Reserves £0.6m
Pension	Dr Cost of Services £1.2m Cr Movement In Reserves Statement £1.2m	Cr Long Term Liabilities £10.0m Dr Unusable Reserves £10.0m

3. APPENDICES

3.1 *Appendix A (1) - Updated Statement of Accounts 2018/19*