



Hinckley & Bosworth
Borough Council

A Borough to be proud of

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

Audit Committee 13th June 2018

WARDS AFFECTED: ALL WARDS

FINANCIAL STATEMENTS 2018/19

Report of Head of Finance (Section 151 Officer)

1. PURPOSE OF REPORT

- 1.1.1 To present to the Audit Committee the draft Annual Governance Statement and Financial Statements for 2018/19 that will be subject to external audit.

RECOMMENDATION

- 2.1 To review the 2018/19 unaudited Financial Statements and consider whether the accounts reflect their understanding of the position of the council has reported during the year.
- 2.2 To review the draft Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account Internal Audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.

3. BACKGROUND TO THE REPORT

- 3.1 In accordance with Accounts and Audit regulations, draft Financial Statements have to be signed off by the 29th May 2018 and ready for public inspection on the 3rdst June 2018 to the 15 July. The attached unaudited statements were completed on 29th May 2018 and signed off by the Head of Finance (s151 Officer) on that day for publication. The accounts become available for public inspection from that date for a period of 30 days in which they can inspect or raise objections to items in the accounts. The statements have also been supplied to our External Auditor (Ernst & Young) for them to complete their audit and report back to the Audit Committee.
- 3.2 Following the conclusion of the period for the exercise of public rights the Head of Finance as the responsible finance officer (RFO) is required, on behalf of the authority, to re-confirm that they are satisfied that the Statement of Accounts presents a 'true and fair' view. The authority must then consider the Statement of Accounts, which at HBBC is the responsibility of the Audit Committee on behalf of the Council. At that meeting the Audit Committee will need approve the accounts by a resolution of that committee and ensure that they are signed and dated by the person

presiding at the committee as chair at which that approval is given. The Unaudited accounts are presented to help in the process with the final audited accounts being approved by the Audit Committee in August.

- 3.3 The main elements of the Financial Statements are noted below with a brief narrative explanation of their purpose.

Section of Accounts	What it covers
Comprehensive Income and Expenditure Statement (CIES)	The CIES covers the sources of all income received and the cost of providing services in the year based on applicable accounting standards and CIPFA requirements.
Movement in Reserves Statement (MiRS)	The MiRS shows the movement in the year on the various reserves held by the Council.
Expenditure & Funding Analysis	This is a reconciliation between management's internal reporting and the CIES, which is based on the requirements of accounting standards as interpreted for the public sector.
Balance Sheet	The Balance sheet gives the value of the Council's assets and liabilities at the financial year-end.
Cash Flow Statement	The cash flow statement discloses movements in cash flows of the authority during the financial year.
Notes to the financial statements	These include a summary of significant accounting policies that guide our basis for the way items are accounted for in the financial statements.
Supplementary Statements: Housing Revenue Accounts, and Collection Fund	These are the Housing Revenue Account (HRA) and Collection Fund. The HRA covers the income from housing activities and Council's expenditure on Council housing. The Collection Fund gives level of business rates and council tax that the Council has to collect, not only for itself, but also for precepting authorities in Leicestershire.
Annual Governance Statement	The Council has approved and adopted a code of corporate governance. The Annual Governance Statement provides a summary of how the Council has reviewed compliance with this code.

- 3.4 There are a few presentational changes to make to the accounts and do not impact on General Fund and HRA balances.

- 3.5 There have been no changes to our accounting policies this year.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 Report taken in open session.

5. FINANCIAL IMPLICATIONS [AW]

- 5.1 Contained within the body of the report.

6. LEGAL IMPLICATIONS

6.1 None.

7. CORPORATE PLAN IMPLICATIONS

7.1 None.

8. CONSULTATION

8.1 None.

9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None	N/A	Ashley Wilson

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 There are no direct implications arising from this report

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has considered the following:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Civica Reports

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