

Appendices:

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NORTHAMPTON
BOROUGH COUNCIL

AUDIT COMMITTEE REPORT

Report Title	Update on Preparation of 2019-20 Accounts
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AGENDA STATUS: PUBLIC

Audit Committee Meeting Date:	24 August 2020
Policy Document:	No
Directorate:	Chief Finance Officer
Accountable Cabinet Member:	Cllr Brandon Eldred

1. Purpose

1.1 To inform the Audit Committee about the current position with preparing the 2019-20 Statement of Accounts.

2. Recommendations

2.1 It is recommended that the Audit Committee note:

2.1.1 The progress towards completing the Statement of Accounts for 2019-20.

3. Issues and Choices

3.1 Report Background

- 3.1.1 This report provides an update on the preparation of the Statements of Accounts for Northampton Borough Council for 2019/20

3.2 Preparation of Statement of Accounts

- 3.2.1 The 2019/20 draft Statement of Accounts is currently being prepared. It was hoped that an initial version of draft accounts would be available for this meeting. However difficulties have been encountered in finalising some of the figures due to recent turnover of staff and it has not been possible to progress the accounts to a state whereby they are ready to be reviewed. The final entries are currently in the process of being agreed and posted to the Council's general ledger. Once this is complete, the main financial statements can be extracted and balanced.

- 3.2.2 The accounts will only be published after undergoing a significant quality assurance process in order to provide assurance to all stakeholders over the accuracy of the information provided within the accounts.

- 3.2.3 The delay means that the Council will not be in a position to meet the requirements of the Accounts and Audit Regulations 2015, as amended by the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020, to open the financial records for inspection for a period of thirty working days from Tuesday 1st September 2020. A notice will need to be placed on the Council's website to explain the delay.

- 3.2.4 The intention remains that the 2019/20 draft Statement of Accounts will be complete before the 2018/19 accounts audit resumes to ensure that the resources remain available to ensure sufficient progress can be made on each.

3.3 Choices (Options)

- 3.7.1 Although this report is just for noting, the Audit Committee have the opportunity to ask questions directly to Officers on issues associated with the completion of the statutory accounts for 2019/20.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 None to report.

4.2 Resources and Risk

4.2.1 Changes in some teams involved in preparing sections of the accounts have significantly contributed to the delay being experienced, new employees having to establish what the outstanding tasks are that need to be completed. In addition the Council has diverted significant staff resources in order to ensure that EY are provided with the information required to enable them to give their opinion on the 2018/19 statement of accounts as soon as is practicable. This will have a knock-on impact on the ability of this staff resource to complete BAU tasks.

4.3 Legal

4.3.1 The actions proposed in this report will enable the Council to meet its statutory requirements of finalising its 2019/20 Statement of Accounts.

4.4 Equality

4.4.1 Not applicable.

4.5 Consultees (Internal and External)

4.5.1 External Auditors, EY

4.5.2 Corporate Management Board

4.6 Other Implications

4.6.1 None.

5. Background Papers

5.1 None

Stuart McGregor
Chief Finance Officer