

TYNE AND WEAR FIRE AND RESCUE AUTHORITY

Item No. 6

GOVERNANCE COMMITTEE MEETING: 31st May 2019

STATEMENT OF ACCOUNTS 2018/2019 (SUBJECT TO AUDIT)

REPORT OF THE FINANCE OFFICER

1. Purpose of the Report

- 1.1 To provide members with an opportunity to scrutinise and question the draft Authority's Statement of Accounts for 2018/2019 (Subject to Audit) – (Appendix A), the Finance Officer's Narrative Statement and a copy of the draft Annual Governance Statement that are required to be published separately alongside the Accounts in line with the requirements of the Accounts and Audit Regulations 2015. Both statements are however also included within the Authority's Statement of Accounts. Any late adjustments to the accounts will, if necessary, be tabled at the meeting.
- 1.2 To provide members with details of the Statement of Accounts process and the key dates that electors have to challenge the accounts.
- 1.3 To provide members with the Letters of Assurance required by the external auditor as part of the final accounts process.

2. Introduction

- 2.1 The Authority has to comply with the financial reporting requirements set out in the Accounts and Audit Regulations 2015, which are listed below for information:

The Relevant Finance Officer (RFO) must certify that the accounts for 2018/2019 present a true and fair view of the financial position by no later than 31st May of each year.

There is also a set of requirements that the RFO must observe as follows:

The RFO must publish (including on the Authority's website) the following:

- The (certified) Statement of Accounts and an accompanying declaration that they are unaudited and subject to change;
- The Annual Governance Statement (in draft, if the Authority has not formally approved the Statement);

- The Narrative Statement;
 - A statement that sets out:
 - The period for the exercise of public rights which must include the first 10 working days in June;
 - Provide details of the manner in which the notice of intention to documents should be given;
 - The name and address of the auditor;
 - The provisions of section 26 and 27 of the Local Audit and accountability Act 2014;
 - The RFO must also commence the period for the exercise of public rights and notify the auditor of the date on which the period commences. This period must be a single period of 30 working days, and as stated above, must include the first 10 working days in June.
- 2.2 The requirement for the accounts, once audited, to be approved by members of this Committee must be completed by 31st July.
- 2.3 The following requirements must also be observed:
- Following conclusion of the period for the exercise of public rights, the accounts must be:
 - Considered by members (Committee or meeting as a whole)
 - Re-confirmed by the RFO on behalf of the Authority that the Statement of Accounts present a true and fair view before the accounts are approved.
 - Approved by the same Committee or meeting
 - Signed – this must be by the person who presides over the meeting where the accounts are considered and approved.
 - The approved and audited accounts, approved Annual Governance Statement, and the Narrative Statement, must be published (including on the Authority's website);
 - An Authority must publish (including on the Authority's website) that the audit has been concluded and that the audited Statement of Accounts has been published. This must be by 31st July for 2019.
- 2.4 Quality checks continue on the accounts right up until the time they are received by this Committee for information in order to ensure that the draft Accounts subject to audit reflect the most accurate and best set of accounts possible. If any changes are necessary these will be tabled at the meeting.

3. Statement of Accounts 2018/2019 (Subject to Audit)

- 3.1 The draft financial statements for 2018/2019 subject to audit (Appendix A) are to be certified later today by the Finance Officer in accordance with the regulations.
- 3.2 Members should note that the Narrative Statement prepared by the Finance Officer is included within the Statement of Accounts and as members know this provides a very helpful summary of the main financial issues in 2018/2019 for the Authority and is there to help put the accounts, which are very complex by nature, into context. This has also been separately set out in Appendix B in accordance with the requirements.
- 3.3 Members, should they wish, are able to ask questions on the accounts and Narrative Statement at this stage before the audit has commenced, although they will have a further opportunity in July when the audited 2018/2019 accounts are to be formally considered for approval.
- 3.4 In accordance with the requirements the Annual Governance Statement (AGS), has to be published whether it has been approved or not by the Authority. A copy is attached in Appendix C to this report but simply replicates the AGS set out in an earlier report on today's agenda.
- 3.5 The statement required from the Authority that details 'the period for the exercise of public rights' is set out in Appendix D to this report.
- 3.6 The certified Accounts and the required Statements and Notices will be published on the Authority's web site later today in accordance with the regulations.

4. Recommendations

- 4.1 To note both the draft and unsigned Statement of Accounts 2018/2019 (subject to audit) and the separate Statements, which are set out in more detail in Appendices B to D of this report, in complying with the requirements of the Accounts and Audit Regulations 2015.
- 4.2 To approve the contents of the Letter of Assurance from those charged with Governance (Appendix E) and, to note the Letter of Assurance from those charged with discharging management processes and responsibilities (Appendix F).