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| AUDIT AND GOVERNANCE COMMITTEE | AGENDA ITEM No: |
| 31 MAY 2019 | PUBLIC REPORT |

STATEMENT OF ACCOUNTS

1.0 PURPOSE

- 1.1. The purpose of the report is for the Audit and Governance Committee to:
- (a) Receive and review the draft Statement of Accounts 2018/19
 - (b) Receive and review the draft Governance Statement 2018/19

| <u>DECISION REQUIRED</u> | |
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| Lead Officer: | Noel O'Neill – Interim S73 Officer and Chief Finance Officer |
| The Audit and Governance Committee is recommended to: | |
| (a) Receive and review the draft Statement of Accounts 2018/19 | |
| (b) Receive and review the Annual Governance Statement 2018/19 as included within the Statement of Accounts. | |

2.0 BACKGROUND

Review of the Statement of Accounts 2018/19

- 2.1. According to their Terms of Reference, the Audit and Governance Committee shall:

No. 3.4 - Review the Annual Governance Statement prior to approval to ensure it properly reflects the risk environment and supporting assurances.

No. 3.12 – Review the annual accounts.

- 2.2. The draft Statement of Accounts for the year ended 31 March 2019 are shown at appendix 1.
- 2.3. The draft Statement of Accounts, together with the draft Narrative Report and draft Annual Governance Statement are required to be signed by Noel O'Neill, the Interim Chief Finance Officer, and published in draft form on the Combined Authority's website together with the notice of the exercise of public rights.
- 2.4. The notice of the exercise of public rights states that the documents are unaudited and subject to change and sets out the rights of members of the public and local government electors in the audit process.
- 2.5. Any person may inspect and take copies of the accounts and certain related documents. During this period the Cambridgeshire and Peterborough Combined Authority electors will be able to ask the external auditor questions on the accounts and are able to object to the accounts.
- 2.6. Ernst & Young LLP will then audit the draft Statement of Accounts and present their findings to a future meeting of the Audit and Governance Committee in accordance with the audit plan that was agreed by the Committee on 29th March 2019.
- 2.7. The final audited version of the Statement of Accounts needs to be signed and published on the Combined Authority's website by 31 July 2019.
- 2.8. The Audit and Governance Committee are now recommended to receive and review the draft Annual Governance Statement and the draft Statement of Accounts.

3.0 FINANCIAL IMPLICATIONS

- 3.1. The fee for the planned code work is £26,950. Additional fees of £3,500 are expected for EY's 'value for money' code work and £1,000 for EY's work on the severance of the Chief Executive. Further costs will be incurred for additional code work on capital accounting issues.
- 3.2. All additional code work fees are subject to agreement with the S73 Officer and PSAA.

4.0 LEGAL IMPLICATIONS

- 4.1. None.

5.0 SIGNIFICANT IMPLICATIONS

- 5.1. None.

6.0 APPENDICES

6.1. Appendix 1 – Draft Statement of Accounts 2018/19 including the Annual Governance Statement.

| <u>Source Documents</u> | <u>Location</u> |
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| None | |