



**Audit and Standards Advisory
Committee & Audit & Standards
Committee
22 September 2021**

Report from the Director of Finance

Statement of Accounts 2020/21

Wards Affected:	All
Key or Non-Key Decision:	n/a
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One Appendix 1 Letter of Representation
Background Papers:	
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Minesh Patel, Director of Finance Ben Ainsworth, Head of Finance

Summary

- 1.1 The Audit Committee has responsibility for considering issues raised by the external auditors as part of the process of approving the annual statement of accounts. The basis for this consideration is the “report to those charged with governance” also referred to as the ISA260 report. The Council’s external auditors, Grant Thornton, produce the report following completion of the audit of accounts. The report is intended to identify any changes to the accounts, unadjusted mis-statements or material weaknesses in controls identified during the audit work. It also provides the findings from the value for money conclusion for the year.
- 1.2 At the time of writing this report Grant Thornton are in the process of completing the audit of the 2020/21 accounts and their ISA260 report, reflecting the current position, will follow and be reported on the same agenda as this report. Based on the current position Grant Thornton intends to give unqualified opinions on the Council and Pension Fund accounts and a clear value for money conclusion.

- 1.3 Representatives from Grant Thornton will attend the meeting to provide an update on the audit and respond to any matters raised by the Committee.

2.0 Recommendations

- 2.1 The Committee is asked to review the report to those charged with Governance from Grant Thornton and:
- consider the key issues and recommendations
 - consider the corrected audit differences
 - approve the draft letter of representation to Grant Thornton
 - delegate the approval of the Statement of Accounts to the Chair of the Audit and Standards Committee subject to the agreed adjustments being made

3.0 Detail

Statement of Accounts

- 3.1 The draft statement of accounts for 2020/21 was published on the council's website on the 7th July, 12 weeks before the deadline required by statutory regulation (30th September). Despite the additional pressures put on the council by COVID-19 and the extended timetable, this is only a month later than the previous year.
- 3.2 The audit of the accounts commenced in July, and needs to be completed by the 30th November. At the time of writing, audit fieldwork is substantially complete, with only a handful of outstanding items. The auditors are now working on completing their closing procedures and final reviews with a view to sign off the audit shortly after the Audit and Standards Advisory Committee meeting on 22nd September.
- 3.3 The ISA260 report presented to the Audit and Standards Advisory Committee sets out the anticipated results of the audit with the following key points being:
- Unqualified audit opinion
 - the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources
- 3.4 As a result of the audit a number of adjustments to the accounts have been agreed by council officers and Grant Thornton and will be detailed by the combination of the auditor's written and verbal reports to the Audit and Standards Advisory Committee.
- 3.5 There are a number of recommendations from Grant Thornton for how the Council's processes can be improved in future years. Officers will be putting these recommendations into effect with a revised plan for closing the 2021/22 accounts.

Publication of Statement of Accounts

3.6 The Council is required to publish the 2020/21 accounts by 30th November. Once approved, the statement of accounts will be published on the Council's website.

3.7 Once the audit has been completed a Letter of Representation needs to be signed prior to Grant Thornton issuing an audit opinion. A draft letter, setting out confirmation from the Council regarding the financial statements and information provided as part of the audit process, is attached as Appendix 1.

4.0 Financial Implications

4.1 There have been some adjustments to the Statement of Accounts during the course of the audit. None of these have impacted on the medium term financial position of the Council.

5.0 Legal Implications

5.1 No specific implications.

6.0 Equality Implications

6.1 No specific implications.

7.0 Consultation with Ward Members and Stakeholders

7.1 Not applicable.

8.0 Human Resources

8.1 Not applicable

Report sign off:

Minesh Patel
Director of Finance