

	<p style="text-align: center;"><b>Audit and Standards Committee</b></p> <p style="text-align: center;">12 October 2023</p>
	<p style="text-align: center;"><b>Report from the Corporate Director of Finance &amp; Resources</b></p>
	<p style="text-align: center;"><b>Lead Cabinet Member – Deputy Leader and Cabinet Member for Finance, Resources &amp; Reform</b></p>
<p style="text-align: center;"><b>Statement of Accounts 2022/23</b></p>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	<p>Three:</p> <p>Appendix A – Draft LB Brent Audit Findings Report</p> <p>Appendix B – Draft LB Brent Pension Fund Audit Findings Report</p> <p>Appendix C – LB Brent Value for Money Report</p>
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	<p>Minesh Patel, Corporate Director of Finance &amp; Resources <a href="mailto:Minesh.Patel@Brent.gov.uk">Minesh.Patel@Brent.gov.uk</a> 020 8937 4043</p> <p>Ben Ainsworth, Head of Finance <a href="mailto:Ben.Ainsworth@Brent.gov.uk">Ben.Ainsworth@Brent.gov.uk</a> 020 8937 1731</p>

## 1.0 Executive Summary

- 1.1. The Audit Findings Reports for the Statement of Accounts and the Value for Money Report have now been updated, further update will be provided by the auditors at the meeting. There is an ongoing review of three objections to the accounts, which is not material to the accounts, and therefore does not prevent the accounts being signed. Audit and Standards Committee needs to review

final Audit Findings Reports and determine whether to authorise the chair to approve the Statement of Accounts.

## **2.0 Recommendation(s)**

- To approve the final statement of accounts 2022/23, subject to no material changes being required by the auditors.
- To authorise the Chair of the committee to sign the final statement of accounts 2022/23, subject to no material changes being required by the auditors.
- To note the findings of the Audit Findings Reports.
- To note the findings of the Value for Money Report.

## **3.0 Detail**

### **Contribution to Borough Plan Priorities and Strategic Context**

- 3.1 The statement of accounts is the formal audited accounts of the Council. The purpose of the statement of accounts is to give clear information on the Council's overall finances and demonstrate stewardship of public money for the year. Being able to independently demonstrate that the Council's financial affairs are sound, will ensure the Council can achieve its Borough Plan priorities and objectives.

### **Statement of Accounts**

- 3.2 The draft Audit Findings Reports for the Statement of Accounts were presented to the Audit and Standards Advisory Committee in September. The audit is now essentially complete, and further draft Audit Findings Reports for the Statement of Accounts have been issued.
- 3.3 These contain a small number of immaterial adjustments that have been found after the draft Audit Findings Reports had been written. These do not change the overall financial position of the council. Members should note that the draft audit findings report was presented to the committee in September and any changes to the report being presented in October have been highlighted in red for ease of reference.
- 3.4 The auditors work is substantially complete and there are no matters of which they are aware of that would require modification of the audit opinion. The matters outstanding contained in the AFR are trivial and the auditors will provide a verbal update on the day of the committee meeting on the progress towards completing the audit.

- 3.5 The auditor's review of the objections made to the 2022/23 accounts (covered in the September 2023 report) is ongoing, the council has now received legal advice that this income is not unlawful. As the amount of income objected to is not material to the 2022/23 accounts these objections do not prevent the accounts being signed off by either the council or the auditors, but they do prevent the final certification of the accounts by the auditors.

### **Value for Money Report**

- 3.6 Appendix C sets out the Value for Money (VFM) report from Grant Thornton. As part of the auditors work, no significant weaknesses were identified in the Council's VFM arrangements and only improvement recommendations have been provided. In summary there are five Financial Sustainability recommendations, four Governance recommendations and three economy, efficiency and effectiveness recommendations. All recommendations have been accepted and management responses provided.
- 3.7 As part of the VFM arrangements, the report is expected to be issued to all members. Therefore, it is proposed that the report is presented to Full Council in February 2024, alongside the 2024/25 budget. As there are no statutory recommendations arising, no formal response is required.

### **4.0 Stakeholder and ward member consultation and engagement**

- 4.1 There are no direct considerations arising out of this report.

### **5.0 Financial Considerations**

- 5.1 There are no direct considerations arising out of this report.

### **6.0 Legal Considerations**

- 6.1 There are no direct considerations arising out of this report.

### **7.0 Equality, Diversity & Inclusion (EDI) Considerations**

- 7.1 There are no equality considerations arising out of this report.

### **8.0 Climate Change and Environmental Considerations**

- 8.1 There are no climate change or environmental considerations arising out of this report.

### **9.0 Human Resources/Property Considerations (if appropriate)**

- 9.1 There are no HR or property considerations arising out this report.

### **10.0 Communication Considerations**

10.1 There are no communication considerations arising out of this report.

**Report sign off:**

***Minesh Patel***

Corporate Director of Finance and Resources