

# STATEMENT OF ACCOUNTS

**Governance and Audit Committee**

25 November 2020

**Report Author** Chris Blundell, Director of Finance and deputy section 151 Officer

**Portfolio Holder** Cllr Rob Yates, Cabinet Member for Finance, Administration and Community Wealth Building

**Status** For Decision

**Classification:** Unrestricted

**Key Decision** No

**Ward:** All Wards

## **Executive Summary:**

*In accordance with the Accounts and Audit Regulations 2015 and the Council's constitution the Committee is required to approve the Statement of Accounts for 2019-20*

## **Recommendation(s):**

- 1. That the Committee approves the Statement of Accounts for 2018-19.*
- 2. That the Committee notes the Letter of Representation to Grant Thornton issues by the Deputy Chief Executive and s151 Officer*

## **Corporate Implications**

### **Financial and Value for Money**

*There are no direct financial implications arising from this report.*

### **Legal**

*This is a statutory requirement.*

### **Corporate**

*This is part of the external audit process.*

### **Equality Act 2010 & Public Sector Equality Duty**

*Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment,*

*victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.*

*Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.*

## **CORPORATE PRIORITIES**

This report relates to the following corporate priorities: -

- *Growth*
- *Environment*
- *Communities*

### **1. Introduction**

- 1.1. The Accounts and Audit (England) Regulations 2015 require the council (through this Committee) to approve and publish its annual statement of accounts by 31 July. Furthermore, local authorities are required to approve their draft accounts by 31st May, with draft accounts being made available for public inspection for 30 working days, inclusive of the first 10 working days of June.
- 1.2. Under these regulations, the statement of accounts would have been presented to the 24 July Governance and Audit Committee meeting for approval.
- 1.3. However, in response to the coronavirus pandemic these requirements were eased under the Accounts and Audit (Coronavirus)(Amendment) Regulations 2020, in recognition of the impact of COVID-19 on councils' ability to meet this statutory deadline.
- 1.4. The Accounts and Audit (Coronavirus)(Amendment) Regulations 2020 enacted the following changes to the statutory deadlines:
  - The publication date for final, audited, accounts will move from 31 July to 30 November 2020 for all local authority bodies.
  - To give local authorities more flexibility, the requirement for the public inspection period to include the first 10 working days of June has been removed.
  - Instead local authorities must commence the public inspection period on or before the first working day of September 2020.
- 1.5. In accordance with the extended deadlines the draft 2019-20 accounts were signed by the Deputy Chief Executive and Chief Financial Officer on 28 August 2020 and published on the Council's website.

### **2. Audit of the Accounts**

- 2.1. At the time of writing, the audit of the draft Statement of Accounts for 2019-20 by Grant Thornton (GT) was nearing completion. It is anticipated that the audit should be

completed, or close to conclusion, by the date of the committee meeting on the 25 November 2020.

- 2.2. Should the audit not be completed by the 25 November, the committee are recommended to delegate authority to the chair of the committee and the Chief Financial Officer, or their deputies, to approve the accounts and enable the accounts to be published in advance of the statutory deadline. The alternative option would be for the committee to convene again on or before the 30 November in order to approve the accounts.
- 2.3. The committee will be updated on any subsequent changes to the draft accounts that arise whilst the audit is being finalised either before or after 25th November.
- 2.4. GT is required to report to those charged with governance whether the council's financial statements present a true and fair view of the financial position, its expenditure and income for the year and whether they have been properly prepared.
- 2.5. A separate report to this Committee setting out the audit findings is included within the same agenda. The Committee is now asked to approve the audited accounts. These are provided at Annex 1.

### **3. Value for Money Assessment**

- 3.1. The auditors are also required to reach a formal conclusion on whether the council has put in place proper arrangements to secure value for money.
- 3.2. The council this year received one objection to the accounts on the grounds of the council's arrangements to secure value for money. The auditors are examining the issues that have been raised. The auditors have made progress with consideration of the four objections raised last year and this is detailed in the Audit Findings Report.

### **4. Publication of Statement of Accounts**

- 4.1. 4.1 The legal deadline for publishing the 2019-20 accounts is the end of November 2020. Once GT has completed their work, a Letter of Representation (Annex 2) needs to be signed by the Chief Finance Officer prior to GT issuing an unqualified opinion. This will enable the 2019-20 Statement of Accounts to be published on the Council's website, which fulfils the legal requirement.

Contact Officer: *Chris Blundell (Director of Finance)*

Reporting to: *Tim Willis (Deputy Chief Executive)*

### **Annex List**

*Annex 1: Statement of Accounts*

*Annex 2: Letter of Representation*

## **Background Papers**

*Title: N/A*

## **Corporate Consultation**

**Finance:** *N/A*

**Legal:** *Tim Howes (Corporate Director - Governance)*

