



Audit Committee	Wednesday, 14 April 2021	Matter for Information and Decision
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Report Title: **Statement of Accounts and Annual External Audit ISA 260
Governance Report (2019/20) Progress Report**

Report Author(s): **Comie Campbell (Head of Finance / Acting Section 151 Officer)**

Purpose of Report:	To update Members' on the audit of Statement of Accounts 2019/20.
Report Summary:	The Council's draft accounts were approved by the Section 151 Officer in August 2020, and have been subjected to detailed audit by our external auditors, Grant Thornton. Whilst the audit has yet to be completed, as at the date of this report, the council is anticipating that Grant Thornton issue an unqualified audit opinion for the Statement of Accounts. In accordance with the Accounts and Audit Regulations 2015, the accounts were presented to the Audit Committee in November for their consideration and approval prior to the intended publication of the accounts by the 30 November 2020. This report is an update on the progress of the audit of the accounts since the initial presentation to November Audit Committee.
Recommendation(s):	<p>A. That the Statement of Accounts for the year ended 31 March 2020 be reviewed and approved as previously recommended and approved at November Audit Committee; and</p> <p>B. In order to comply with the Council's statutory obligations, it be confirmed that the Statement of Accounts for the year ended 31 March 2020 can be published and the Section 151 Officer be authorised, following consultation with the Chair of the Audit Committee, to make any changes to the accounts that may be agreed with Grant Thornton LLP, the Council's External Auditors.</p>
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	Comie Campbell (Head of Finance / Acting Section 151 Officer) (0116) 257 2713 comie.campbell@oadby-wigston.gov.uk
Corporate Objectives:	Providing Excellent Services (CO3)
Vision and Values:	"A Stronger Borough Together" (Vision) Accountability (V1)
Report Implications:-	
Legal:	There are no implications arising from this report.
Financial:	The implications are as set out in this report.
Corporate Risk Management:	Decreasing Financial Resources / Increasing Financial Pressures (CR1) Reputation Damage (CR4) Regulatory Governance (CR6)

Equalities and Equalities Assessment (EA):	There are no implications arising from this report. No EA applicable.
Human Rights:	There are no implications arising from this report.
Health and Safety:	There are no implications arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	As the author, the report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	<ul style="list-style-type: none"> • The Accounts and Audit (England) Regulations 2011 • Delivering Good Governance in Local Government: Framework
Appendices:	<ol style="list-style-type: none"> 1. Draft Statement of Accounts (2019/20) 2. External Audit Report (ISA 260) 2019/20 - To Follow

1. Introduction and Background

- 1.1 The publication of the Statement of Accounts is governed by the requirements of the Accounts and Audit (England) Regulations 2011. These require the Statement of Accounts to be certified by the Council's Section 151 Officer as presenting a true and fair view of the financial position of the Council by the 31 May each year. The accounts must then be submitted for external audit to publish audited accounts by no later than the 31 July each year.
- 1.2 However, due to the COVID-19 pandemic, the deadlines have been altered, with the accounts being presented by 31 August 2020, with the audited accounts to be published by 30 November 2020. The audit of the accounts is still ongoing so the accounts have not yet been published.
- 1.3 Following certification by the Section 151 Officer in August 2020, the accounts have been subject to detailed and rigorous review by the Council's external auditors, Grant Thornton. The audit report is being finalised at the time of writing this report, but we expect that the auditors are planning to issue an unqualified opinion. Grant Thornton will present their External Audit Report (ISA 260) on the Accounts at this meeting.
- 1.4 In compliance with the Accounts and Audit Regulations, the Accounts were made available for public inspection during the audit. This period has concluded, and until the conclusion of the audit, electors or their representatives were able to question or raise objections with the external auditor. No questions or objections were raised at the time of writing this report.
- 1.5 There will be some adjustments required to be made to the accounts. They relate mainly to presentational issues and in-house system issues and will ensure that the Council complies with technical accounting regulations, specifically CIPFA's Code of Practice on Local Authority Accounting. Additionally, there is a potential change to the valuation of our housing assets (in a positive vein). Given the audit is still on-going, the Committee is recommended to continue to delegate responsibility for finalising the accounts to the Section 151 Officer in liaison with the Committee Chair.
- 1.6 It is a requirement of external audit that the Section 151 Officer signs a letter of representation confirming that they have the responsibility for the proper administration of the financial affairs

of the authority and that the duties that this entails have been undertaken. The draft letter will be signed nearer to the date of the approval of the accounts.

- 1.7 The accounts have previously been presented to the Audit Committee in November 2020 where the recommendation to approve the Accounts was agreed by this Committee. I am requesting this Committee to continue its recommendation to approve the Accounts. This will allow Grant Thornton to provide their formal opinion on the accounts and formally conclude the audit. The accounts will then be published on the Council's website.