

**Audit and Governance Committee**

31 March 2021

Report of the Chief Finance Officer

**Annual Financial Report - Statement of Accounts 2019/20**

**Summary**

1. This report presents the final set of accounts for 2019/20, which follow draft pre-audit accounts previously presented on 13 July 2020, and final accounts with amendments reported on 20 November 2020.

**Recommendations**

2. Members are asked to
  - (a) Note the matters set out in the Audit Completion Report presented by the external auditor in the previous agenda item and summarised in this report.

Reason: To ensure the proper consideration of the opinion and conclusions of the external auditor in respect of the annual audit of accounts and review of the council's arrangements for ensuring value for money.

- (b) Approve the amended Annual Financial Report at Annex A for signature by the chair from a resolution of this Committee in accordance with the Accounts and Audit Regulations 2015.

Reason: To ensure compliance with the International Auditing Standards and other relevant legislative requirements.

**Background**

3. The International Standard on Auditing (ISA) 260 requires the Council's External Auditor to report to those charged with governance any issues arising from the audit of the financial statements. It is also a statutory requirement that the Council approves the final statement of accounts after the audit and by 31st July each year.

## **Analysis**

4. The final accounts for 2019/20 are attached at Annex A and do not contain any substantive changes since the last version was presented to the Committee on 20 November 2020. Members will recall that, despite the impacts of the pandemic, the accounts were delivered one month ahead of the statutory deadline.
5. The details of all the changes made since the draft accounts were presented in July 2020 were reported to this Committee in November and are again included in appendix A of the Audit Completion Report. The 2019/20 audit is now substantially complete, and Mazars summarise their review of the accounts in their Audit Completion Report which is presented separately on the agenda for this meeting
6. The report outlines that the audit work is substantially complete and that an unqualified opinion on the financial statements is expected. The audit findings also conclude that, with the exception of the issues identified on one specific decision, there are proper arrangements in place to secure economy, efficiency and effectiveness in the use of resources.
7. Ordinarily the audit certificate would also be issued at this time, however the auditors have not yet concluded their work on the Whole of Government Accounts submission or determined on an objection from a local elector.

## **Consultation**

8. The content of the report of the external auditor has been discussed with the relevant responsible officers. It is reported here for due consultation with those members charged with governance at the council.

## **Options**

9. Not applicable.

## **Corporate Priorities**

10. The Annual Financial Report provides a technical financial summary of the activities of the council and assists in providing the Council with a viable financial position on which to base future budget projections, as well as contributing to the overall effectiveness of the Council's governance and assurance arrangements.

## Implications

11. There are no financial, HR, equalities, legal, crime and disorder, IT or property implications arising from this report.

## Risk Management

12. Areas of risk identified throughout the annual accounts process are monitored and managed on an ongoing basis to ensure the statutory deadline is met.
13. The Council will fail to comply with legislative and best practice requirements to provide for a proper audit of the Council if it does not consider this report or approve and sign the Annual Financial Report.

<b>Authors:</b>	<b>Chief Officer responsible for the report:</b>			
Emma Audrain Technical Accountant 01904 551170	Debbie Mitchell Chief Finance Officer			
	<b>Report Approved</b>	<b>x</b>	<b>Date</b>	<b>22.03.2021</b>
<b>Wards Affected: All</b>				
<b>For further information please contact the author of the report</b>				

## Background Papers:

Audit & Governance Committee 13 July 2020 – Pre Audit Statement of Accounts 2019/20

Audit & Governance Committee 20 November 2020 – Final Statement of Accounts 2019/20

## Annex:

Annex A Final Statement of Accounts 2019/20