

Committee Name and Date of Committee Meeting

Audit Committee – 30 November 2021

Report Title

Audited Statement of Accounts 2020/21

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

Rob Mahon (Head of Corporate Finance)
Finance & Customer Services Directorate
01709 254518 rob.mahon@rotherham.gov.uk

Ward(s) Affected

Borough-Wide

Report Summary

Under the Accounts and Audit Regulations 2015, local authorities were required to publish their unaudited accounts no later than 31 July 2021, for the financial year 2020/21, accompanied by a Narrative Report and draft Annual Governance Statement. The deadline for the final publication of the Councils audited accounts was 30th September 2021, however, as previously reported to Audit Committee by Grant Thornton, the Council's external audit of its 2020/21 accounts would not complete by this point. This was through no fault or delay in providing audit information on the Council's behalf but due to national issues with public sector audit requirements that have been covered at previous Audit Committees.

The Council presented final unaudited accounts to Audit Committee on the 30th September 2021, in light of the delayed audit. The audit of the Council's accounts is now nearing completion and Grant Thornton will present to Audit Committee their ISA 260 report along with any recommendations as a result of the audit. At the point of this report production, Grant Thornton's ISA260 had not been shared with the Council but it is expected the ISA260 will be circulated prior to the meeting.

At this point Grant Thornton are not able to confirm any intention to issue an unqualified opinion on the Statement of Accounts.

At this point Grant Thornton are not able to confirm an intention to issue an unqualified opinion in respect of the Council's value for money arrangements.

Recommendations

1. Having taken due regard of the external audit findings, detailed within the ISA 260 report, formally approve the 2020/21 audited Statement of Accounts attached as Appendix 2 for publication as final and the 2020/21 Narrative Report attached as Appendix 3 for publication as final.

List of Appendices Included

Appendix 1 – ISA 260 (to be circulated at the prior to meeting)

Appendix 2 – 2020/21 Audited Statement of Accounts (to be circulated at the prior to meeting)

Appendix 3 – 2020/21 Narrative Report

Background Papers

CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2020/21

Accounts and Audit Regulations 2015

Audit Committee meeting – 4 February 2020

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Closure of the Accounts 2020/21

1. Background

- 1.1 Under the Accounts and Audit Regulations 2015, local authorities were required to publish their unaudited accounts no later than 31 July 2021, for the financial year 2020/21, accompanied by a Narrative Report and draft Annual Governance Statement. The deadline for the final publication of the Council's audited accounts was 30th September 2021, however, as previously reported to Audit Committee by Grant Thornton, the Council's external audit of its 2020/21 accounts would not complete by this point. This was through no fault or delay in providing audit information on the Council's behalf but due to national issues with public sector audit requirements that have been covered at previous Audit Committees.
- 1.2 The Council presented final unaudited accounts to Audit Committee on the 30th September 2021, in light of the delayed audit. The audit of the Council's accounts is now nearing completion and Grant Thornton will present to Audit Committee their ISA 260 report along with any recommendations as a result of the audit. At the point of this report production, Grant Thornton's ISA260 had not been shared with the Council and it is expected the ISA260 will be circulated prior to the meeting.

2. Key Issues

- 2.1 As Grant Thornton's audit report was not available at the time of writing this report, the Council isn't able to specify the main recommendations from the report or respond to any required changes to the Council's Statement of Accounts that may be requested by Grant Thornton. In addition, the Council isn't able to provide any indication of the external audit opinion with regards to the Statement of Accounts or value for money assessment.
- 2.2 The Council has fully engaged with the external audit and endeavoured to respond to issues as quickly and efficiently as possible.

3. Options considered and recommended proposal

- 3.1 There is no discretion on whether to comply with the Code of Practice on Local Authority Accounting or the Accounts and Audit Regulations 2015. The purpose of the recommendations is for Audit Committee to meet its responsibilities in relation to the closure of the accounts.

4. Consultation on proposal

4.1 Close liaison continues to be maintained with the Council's External Auditors to ensure that complex accounting issues and action taken in response to changes to the local authority accounting framework are agreed in advance of the financial statements being prepared.

5. Timetable and Accountability for Implementing this Decision

5.1 The statutory deadline for publishing the audited financial statements was 30th September 2021. Grant Thornton were not able to conclude their audit by this point.

6. Financial and Procurement Advice and Implications

6.1 There are no financial or procurement implications directly associated with this report, other than continuing to produce good quality financial statements and supporting working papers which meet Grant Thornton's expectations and will help to minimise the audit fee.

7. Legal Advice and Implications

7.1 None, other than ensuring compliance with the requirements of the Accounts and Audit Regulations 2015.

8. Human Resources Advice and Implications

8.1 There are no Human Resource implications arising from the report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 There are no implications arising from the proposals to Children and Young People and Vulnerable Adults.

10. Equalities and Human Rights Advice and Implications

10.1 There are no implications arising from this report to Equalities and Human Rights.

11. Implications for CO2 Emissions and Climate Change

11.1 No direct implications.

12. Implications for Partners

12.1 There are no other implications arising from this report to Partners.

13. Risks and Mitigation

13.1 Robust project management arrangements have been put in place to ensure that the timetable is adhered to and quality standards met.

14. Accountable Officer(s)

Judith Badger (Strategic Director of Finance & Customer Services)

Report Author: Rob Mahon (Finance Manager – Financial Accounting)
Finance & Customer Services Directorate
01709 254518 rob.mahon@rotherham.gov.uk

This report is published on the Council's [website](#).