

REPORT FROM: INTERIM CHIEF FINANCE OFFICER

TO: ACCOUNTS AND AUDIT COMMITTEE

DATE: 27 JULY 2021

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STATEMENT OF ACCOUNTS 2020/21

PURPOSE OF REPORT

1. This report provides the Committee with an update in respect of the Council's Statement of Accounts for the financial year 2020/21.

RECOMMENDATION

2. The Committee is recommended to note the current progress made in respect of the production of the Council's Statement of Accounts for 2020/21 and the timetable going forward.

REASONS FOR RECOMMENDATION

3. To ensure that the Committee is aware of the current status of the Council's Statement of Accounts for 2020/21.

ISSUE

4. The Council is required to prepare a Statement of Accounts for each financial year. The accounts must be prepared in accordance with statutory timelines and accounting practices.
5. These accounting practices are set out in the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Local Authority Accounting in the UK and any additional CIPFA guidance such as the year end Final Accounts Bulletins. Members of the Accounts and Audit Committee can be assured that the accounts have been prepared so that all the requirements of the Code have been complied with. The Committee received a report on the Code for 2020/21 at its meeting on 23 March 2021.

6. The deadline for the preparation of the 2019/20 Accounts was extended due to the pandemic and has again been revised for 2020/21. Recognising the multi-year impact of COVID-19, the deadline for the 2021/22 financial year has also been changed. The Ministry of Housing, Communities and Local Government (MHCLG) introduced the Accounts and Audit (Amendment) Regulations 2021, which changed the statutory audit deadlines for all Local Authorities.
7. The impact on deadlines and timescales is as follows:
 - the publication date for the final, audited, accounts for 2020/21 has moved from 31 July to 30 September 2021 (30 September 2022 for the 2021/22 accounts);
 - to give Local Authorities more flexibility, the requirement for the public inspection period to include the first 10 working days in June has been removed. Instead Local Authorities must commence the public inspection period on or before the first working day of August 2021, which requires the draft accounts to be presented for audit by 31 July or earlier wherever possible.
8. For this year 2020/21, Authorities must publish the dates of their public inspection period, providing a public notice on their websites explaining why they are departing from normal practice. The Council will be publishing such a notice on 30 July. This will advise that the public inspection period runs from 2 August to 10 September 2021.
9. The legislation requires that following the conclusion of a 30 working day period of public inspection the Council must submit the Statement of Accounts for consideration and approval to a Committee or Members meeting as a whole. For Pendle, the body designated to receive the accounts is the Accounts and Audit Committee.
10. The draft financial statements will be submitted to the External Auditors, Grant Thornton, on 30 July 2021. The statements will be available on the Council's website.
11. Grant Thornton will undertake their audit and council officers will ensure that all queries are promptly addressed.
12. The Committee will receive the Statement of Accounts for formal approval at its meeting on 28 September 2021 together with the Audit Findings Report produced by Grant Thornton.

IMPLICATIONS

Policy:

13. There are no policy implications arising directly from the contents of this report.

Financial:

14. There are no financial implications arising directly from the contents of this report.

Legal:

15. The Accounts and Audit Regulations set out the legal framework for the production and audit of the Council's accounts.

Risk Management:

16. There are no risk management implications arising directly from the contents of this report.

Health and Safety:

17. There are no health and safety implications arising from the contents of this report.

Sustainability:

18. There are no sustainability implications arising directly from this report.

Community Safety:

19. There are no community issues arising directly from the contents of this report.

Equality and Diversity:

20. There are no equality and diversity issues arising from the contents of this report.

APPENDICES

None

LIST OF BACKGROUND PAPERS

Accounts and Audit (Amendment) Regulations 2021