



REPORT OF: CHIEF FINANCIAL OFFICER

TO: ACCOUNTS AND AUDIT COMMITTEE

DATE: 19th OCTOBER 2021

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STATEMENT OF ACCOUNTS 2020/21

PURPOSE OF REPORT

1. The purpose of this report is to present for approval the Statement of Accounts for 2020/21. At the time of writing this report the audit undertaken by Grant Thornton is substantially complete. The accounts submitted with this report include any amendments arising from the work of External Audit as at 13th November 2021.

RECOMMENDATIONS

2. The Committee is recommended to approve the Statement of Accounts for 2020/21.

ISSUE

Introduction

3. The draft (pre-audit) accounts were completed and published on the Council's website ahead of the deadline of 31st July 2021. Grant Thornton commenced their audit of the accounts week commencing 12th July 2019 and this work is nearing completion. The Statement of Accounts submitted with this report reflects all changes agreed with Grant Thornton as at 13th November 2021. Any new matters arising prior to the Committee will be reported verbally at the meeting.
4. At the time of writing this report there have been no changes to the core statements. The amendments requested thus far relate mainly to a small number of disclosure notes.
5. Details of the formal audit findings are presented in a separate report from Grant Thornton (Draft Audit Finding Report 2020/21) which is included elsewhere on the agenda for this meeting.

6. There have been five required amendments identified to date during the course of the audit, which are included and further explained in the External Audit Findings Report presented to Committee elsewhere on this agenda.
7. Two further immaterial issues have also been identified, which are also detailed in the External Audit Findings Report. Following discussions with the auditors, management has decided not to amend the final accounts in respect of these matters as material understanding of the reported financial position is not impaired.
8. During the course of the audit a number of presentational and disclosure amendments have also been identified and updated. None of which are significant or relevant for us to highlight for your attention.
9. The period for public inspection of the accounts commenced from the 2nd August 2021 and ended on the 10th Sept 2021. No questions or enquiries were received from members of the public in this period.
10. Under the Accounts and Audit Regulations 2015 (regulation 9(2)), the Council must, following the conclusion of the period for the exercise of public rights, in the following order:-
 - (a) *Consider, either by way of a committee or by the members meeting as a whole, the statement of accounts;*
 - (b) *Approve the statement of accounts by a resolution of that committee meeting;*
 - (c) *Ensure that the statement of accounts is signed and dated by the person presiding at the committee or meeting at which approval is given.*
11. The Statement of Accounts is attached at [Appendix A](#) for approval. The Chief Financial Officer, as the Council's responsible finance officer, has re-certified the accounts confirming that the statement of accounts presents a true and fair view of:
 - (a) *The financial position of the authority at the end of the financial year to which it relates; and*
 - (b) *The authority's income and expenditure for that financial year.*
12. The Statement of Accounts (SOAs) also includes the Annual Governance Statement and Narrative Report, both of which are required to be published together with the financial statements.
13. Once confirmation has been received from Grant Thornton that the audit has been completed, a 'Notice of Conclusion of Audit' will be published. This will explain that the audit of the Council's accounts has been completed and state where the accounts and auditor's report can be inspected.
14. Councils are required to publish their draft accounts by the end of July and to publish their audited accounts by the end of Sept for 2020/21. As with most Local Authorities this year, due to Covid pressures and increased regulatory burdens, the council working with our External Auditors, have been unable to meet this deadline and as a result we expect to expect the audit to be complete by 30th October 2021. The Council published its draft accounts before 31st July 2021 and, subject to the Committee's approval and receipt of the Auditor's Opinion, and the subsequent conclusion of the audit, the accounts will be published on the Council's website as soon as is practicable.

15. Such outcomes are not possible without the hard work and support of team members within Finance assisted by colleagues across the Council and I am grateful to them all for their support.
16. In considering the SOAs members of committee are referred to the external auditor's Audit Findings report (AFR) which appears elsewhere on this agenda. The reports provide the auditor's opinion on the accuracy of the accounts and also the supporting documents.

IMPLICATIONS

Policy

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

Financial

18. The financial implications are as given in the report and Statement of Accounts. This report sets out the closing financial position for the 2020/21 year. All budget variation are currently being reviewed and assessed in order for them to be incorporated into the budget monitoring process for 2021/22 and the budget and Medium Term Financial Plan for 2022/23 onwards.

Legal

19. The Accounts and Audit Regulation's 2015 as amended by The Accounts and Audit (Amendment) Regulations 2021 currently require the Council to approve and publish its audited Statement of Accounts by 30 September 2021.
20. In line with the regulations we have published a relevant notice of the delay in closing the accounts. In view of the many pressures from the pandemic and increase regulatory burdens on ourselves and our auditors (in relation to property valuations and the valuation of pensions net liability) a number of/most local authorities have found themselves in this position.

Risk Management

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

Health and Safety:

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

Sustainability:

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

Community Safety:

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

Equality and Diversity:

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

APPENDICES

[Appendix A](#) –Statement of Accounts 2020/21

LIST OF BACKGROUND PAPERS: Final Accounts working papers held by Financial Services.