

D. Audit Adjustments

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2023.

Detail	Comprehensive Income and Expenditure Statement £'000	Balance Sheet £' 000	Impact on total net expenditure £'000	Impact on general fund £'000
The Council purchased land for a burial site but this was incorrectly classified as Assets Held for Sale and should be in Property Plant and Equipment.	-	Dr Property, plant and equipment £865 Cr Assets Held for Sale £865		
Removal of the pension fund asset in accordance with the requirements of IFRIC 14	-	Dr Pension Reserve £6,930 Cr Pension Liability £6,930		
The Council included an accrual of £500k for Housing Benefits, this was not required.	-	Dr Debtors £411 Dr Creditors £89 Cr Earmarked Reserves £500		
Although revalued assets were correctly depreciated these amount were incorrectly reversed.	Dr. Depreciation £61	Cr. Property, plant and equipment £61 Dr Revaluation Reserve £61	£61	£61
An investment included as cash and cash equivalent has been reclassified as short-term investments as it relates to a period over 3 months	-	Dr Short term Investments £2,500 Cr Cash and Cash Equivalents £2,500		
The valuers report did not reconcile to the fixed asset register due to input error		Cr Property, plant and equipment £37 Dr Revaluation reserve £37		
The Council included amounts in relation to Nelson Town Deal as Property Plant and Equipment, but these were not Council Assets and should be REFCUS	DR NCOS Expenditure £1,903 DR NCOS Income £1,903	Cr Property Plant and Equipment £1,903 Dr Capital Adjustment Account £1,903		
Overall impact	£61	£NIL	£61	£61

D. Audit Adjustments

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure omission	Agreed?
<p>Narrative Statement</p> <p>This has been amended to reflect the amendments made in the accounts.</p>	✓
<p>Note 3 Assumptions made about the future and other major sources of estimation uncertainty</p> <p>The note should be amended to include additional disclosure on the pension asset as well as the IFRIC 14 adjustment.</p>	✓
<p>Note 12 Property Plant and Equipment</p> <p>An asset was merged into one asset but not accounted for correctly in the PPE note. An amendment of £105k was made to reclassify this from disposal to revelations.</p> <p>The valuers report did not reconcile to the fixed asset register due to input error. Other land and Buildings were overstated by £145k ad Surplus Assets understood by £108k.</p>	✓
<p>Note 18 Assets Held for Sale</p> <p>In year expenditure included £865k which should be Property plant and equipment.</p>	✓
<p>Note 20 Provisions</p> <p>The Business Rates Appeals provision should be amended to show the Advanced as 1,077k and Utilised as (£151k) the net amount remains £710k.</p>	✓
<p>Note 22 Unusable Reserves</p> <p>The note has been amended to align with the CIES and Note 12 ***update what was this for</p> <p>Collection Fund Adjustment account the closing balance for 2021/22 has not calculated correctly, therefore the opening balance for 2022/23 is incorrect.</p>	✓
<p>Note 23 Cash Flow Statement –operating activities</p> <p>Table C Interest paid has been amended to £630k from £698k</p>	✓
<p>Note 28 Expenditure and income analysed by Nature</p> <p>The table showing adjustments from the General Fund to arrive to the amounts shown on the CIES has been amended to show the opening balances.</p>	✓
<p>Note 29 Officers Remuneration</p> <p>The salary for the Chief Executive should include the payment made as acting as returning officer, this will increase her banding.</p> <p>The * for Expenses allowances notes these are in relation to the payment of subscriptions however these costs relate to mileage.</p> <p>Formatting of the note has been amended to show the details on one row.</p>	✓

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<p>Note 31 External Audit Costs</p> <p>The external audit services for the current year have been amended to agree with the audit fee agreed in the Audit Plan.</p> <p>The external audit services for the prior year have been amended to show the additional fee agreed in the final 2021/22 Audit Findings Report</p> <p>A footnote has been added to the table to show the grants relate to KPMG.</p>	✓
<p>Note 32 Grant Income</p> <p>When we received the draft statements of accounts, we noted the Council included an agency grant of £5,376k within Net Cost of Services, this increased but Gross Expenditure and Gross Income. The Council amended this before the draft accounts were published for the Accounts and Audit Committee. However this amendment was not made to the Grant note.</p>	✓
<p>Note 35 Defined Pension Scheme</p> <p>Throughout the note reference is made to the next valuation date of 31 March 2022, however this valuation has taken place and the dates should be updated for the following valuation.</p> <p>Sensitivity analysis - Assumptions table should also include details of investment returns.</p> <p>The accounts were amended to include additional disclosure on the impact of the surplus on its future combinations. As well as additionally disclosure on the basis used to determine the amount of the economic benefit available, representing the Ceiling for the amount that can be included on our balance sheet.</p>	✓
<p>Notes to the Collection Fund</p> <p>Note 2 and 3 Reference is made to 2021/22 but this should be 2022/23.</p> <p>Note 5 and 6 Council Tax Base has been amended to agree to the 2022/23 base</p> <p>Note 7 and 8 has been updated to show the correct share of surplus for Council Tax.</p> <p>Note 7 has also been updated to show the Central Government Percept at £8,168k from £8,287k</p>	✓