

<b>Report To:</b>	<b>Audit Committee</b>
<b>Date:</b>	<b>18<sup>th</sup> October 2021</b>
<b>Heading:</b>	<b>AUDITED STATEMENT OF ACCOUNTS 2020/21</b>
<b>Portfolio Holder:</b>	<b>CLLR DAVID MARTIN, PORTFOLIO HOLDER FOR FINANCE, REVENUES AND BENEFITS</b>
<b>Ward/s:</b>	<b>N/A</b>
<b>Key Decision:</b>	<b>NO</b>
<b>Subject to Call-In:</b>	<b>NO</b>

## **Purpose of Report**

This report presents the Audit Committee with the Council's Statement of Accounts for 2020/21 and reports on the outcome of the external audit of the Council's Statement of Accounts 2020/21.

Subject to approval of the Statement of Accounts by the Audit Committee, a copy of the audited Final Statement of Accounts will be placed on the Council's website.

## **Recommendation(s)**

To approve the audited Statement of Accounts for 2020/21 subject to the outstanding items identified in the External Auditors Completion Report 2020/21 .

To delegate authority for the final approval of the audited Statement of Accounts for 2020/21 to the Corporate Finance Manager (Section 151 Officer) subject to a satisfactory outcome of outstanding items and to report back to Audit Committee details of any changes, if required.

## **Reasons for Recommendation(s)**

To comply with Financial Regulations which form part of the Council's Constitution. These state the Audit Committee is responsible for approving the Annual Statement of Accounts.

## **Alternative Options Considered**

None as it is a statutory requirement for Council's to publish the audited Annual Statement of Accounts and a requirement of the Council's Financial Regulations for the Audit Committee to approve the annual Statement of Accounts.

## **Detailed Information**

Prior to the Covid-19 pandemic, the deadline for completion and publication of the draft Statement of Accounts was 31 May and the deadline for the final audited Statement of Accounts was the 31 July. Due to the on-going Covid-19 pandemic, these statutory deadlines were amended by the Accounts and Audit (Amendment) Regulations 2021. The deadlines for the publication of the draft accounts was extended to the 31 July and the deadline for the publication of final audited accounts was extended to 30 September, for the financial years beginning 2020 and 2021.

Despite these changes, the Council's draft Statement of Accounts (excluding the Annual Government Statement (AGS)) were provided to Mazars, the External Auditors on the 18<sup>th</sup> June 2021, in advance of the publication deadline.

Due to providing the draft Statement of Accounts before the extended statutory deadline, the National Non Domestic Rates (NNDR) position included in the Statement of Accounts was based on an estimated position pending the completion of the NNDR 3 claim, which also had an extended deadline to 30<sup>th</sup> June 2021.

The link to the draft statement of accounts is:

<https://www.ashfield.gov.uk/your-council/financial-information/statement-of-accounts-audit-reports/>

Adjustments have been made between the draft and final Statement of Accounts 2020/21 to reflect the final NNDR 3 claim, resulting in an increase in the General Fund balance of £24k.

An error was identified by Council Finance officers in relation to a revaluation and an adjustment has been made between the draft and final Statement of Accounts 2020/21. The error was due to a building value being overstated when the revaluation was accounted for. This amendment decreased the Property Plant and Equipment in the balance sheet by £1.531m, which passes through the Comprehensive Income & Expenditure Statement (CIES) but is reversed out in Movement in Reserves Statement (MIRS) to the Revaluation Reserve in the Balance Sheet, and therefore does not impact on the in-year surplus for 2020/21.

The audit resulted in some minor presentational changes being made to the note to the accounts:

- The banding identified for an officer remuneration payment had been amended
- The exit packages note has been amended following an adjustment to note being required, identified after the draft note had been prepared.

Mazars work on the accounts is substantially complete. If any issues arise from the completion of their remaining work, they will be reported to the next Audit Committee.

The deadline for the publishing of the audited final accounts has not been achieved, due to the external audit not being complete. This situation is allowed for by Regulation. The regulations require, in these circumstances that the Council publishes a notice on the website, which has been completed. The notice explains the final audited Statement of Accounts for the year ended 31 March 2021 will be published as soon as the audit is concluded, and the Independent Auditor's Report issued.

## **Implications**

### **Corporate Plan:**

Production of timely and accurately Statement of Accounts is a statutory requirement. Achievement of this reflects sound financial management supporting delivery of the Corporate Plan.

### **Legal:**

This report enables the Council to present for approval the audited Statement of Accounts in accordance with statute.

### **Finance:**

<b>Budget Area</b>	<b>Implication</b>
General Fund – Revenue Budget	As per the Statement of Accounts
General Fund – Capital Programme	As per the Statement of Accounts
Housing Revenue Account – Revenue Budget	As per the Statement of Accounts
Housing Revenue Account – Capital Programme	As per the Statement of Accounts

### **Risk:**

<b>Risk</b>	<b>Mitigation</b>
The final accounts may change as a consequence of the completion of the outstanding work.	Should any changes be necessary these will be reported to the next Audit Committee with details of any implications.

### **Human Resources:**

None

### **Environmental/Sustainability**

None

### **Equalities:**

None

## **Background Papers**

Statement of Accounts 2020/21  
Mazars Audit Completion Report (ISA 260)

## **Report Author and Contact Officer**

Bev Bull  
Chief Accountant  
[b.bull@ashfield.gov.uk](mailto:b.bull@ashfield.gov.uk)  
**01623 457424**