

## AUDIT AND STANDARDS COMMITTEE

7 February 2023

<b>Title:</b> Council's Accounts Audit Update - 2019/20 and Subsidiaries' accounts audit – 2021/22	
<b>Report of the Chief Financial Officer</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> No
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<b>Accountable Director:</b> Philip Gregory, Chief Financial Officer (Section 151 Officer)	
<b>Accountable Strategic Leadership Director:</b> Philip Gregory, Chief Financial Officer (Section 151 Officer)	
<b>Summary</b>  This report is to note an update regarding the external audit of the Council's Statement of Accounts 2019/20. And to update on the latest regarding 2021/22 accounts audits of the Council's subsidiaries.	
<b>Recommendation(s)</b>  The Audit and Standards Committee is recommended to note the contents of this report.	
<b>Reason(s)</b>  It is a statutory obligation for the Council's Statement of Accounts to be produced and audited, and that the Statement of Accounts and the Annual Governance Statement must be approved by a Committee of the Council	

### 1. Introduction and Background

- 1.1 At the last meeting of the Committee, BDO notified the Committee that, owing to staff illness and changes in the Audit team, the 2019/20 audit would be further delayed. The revised plan was to complete the audit by March and to present it to the Committee in April 2023. BDO will be providing a verbal update to the Committee on the progress in meeting the deadlines that were set out.
- 1.2 Although the 2019/20 accounts audit of the Council and its Group Accounts is still on-going, the individual 2021/22 accounts audits of the Council's progressed well and an update will be given.

### 2. Financial Implications

*Implications completed by: Thomas Mulloy, Chief Accountant*

- 2.1 Other than the audit fees previously mentioned in the Audit Plan, there are no financial implications arising from the report.

### **3. Legal Implications**

*Implications completed by: Dr Paul Feild, Senior Governance Lawyer*

- 3.1 The Chief Financial Officer has a statutory duty, under Section 151 of the Local Government Act 1972, to ensure that there are proper arrangements in place to administer the Council's financial affairs. An essential component of sound administration is a sound audit function.
- 3.2 The Local Audit and Accountability Act 2014, established a new audit regime. Local Authorities must appoint a local auditor which in carrying out its' role must be satisfied that the authority has:
- made proper arrangements for securing economy, efficiency and effectiveness in its use of resources;
  - in its accounts comply with the requirements of the enactments that apply to them;
  - observed proper practices in the preparation of the statement of accounts and that the statement presents a true and fair view.
- 3.3 This is supported by the Code of Audit Practice, published by the NAO, which requires auditors to 'take into account their knowledge of the relevant local sector as a whole, and the audited body specifically, to identify any risks that, in the auditor's judgement, have the potential to cause the auditor to reach an inappropriate conclusion on the audited body's arrangements.'

**Public Background Papers Used in the Preparation of the Report: None**