

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

INFORMATION

meeting date: 29 SEPTEMBER 2021
title: STATEMENT OF ACCOUNTS 2020/21 PROGRESS REPORT
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

1.1 To provide Committee with an update on progress with regard to the production of the Statement of Accounts for 2020/21 and the external audit of the same.

1.2 Relevance to the Council's ambitions and priorities:

- Community Objectives – none identified
- Corporate priorities – to continue to be a well-managed Council, providing efficient services based on customer need and meets the objective within this priority of maintaining critical financial management controls, ensuring the authority provides council tax payers with value for money
- Other considerations – none identified

2 BACKGROUND

2.1 Committee will be aware from previous meetings that the deadlines for the preparation of the statement of accounts and the audit of the same were extended.

2.2 This was the first action to be completed in implementing the recommendations of the independent Redmond Review into the effectiveness of external audit and transparency of financial reporting in local authorities.

2.3 The Accounts and Audit (amendment) Regulations 2021 (SI no 2021/263) came into force on 31 March 2021 and amended the draft and final accounts publication deadlines for relevant bodies from 1 June and 31 July to 1 August and 30 September for the next 2 accounting years – i.e. 2020/21 and 2021/22. The position regarding this extension will be reviewed towards the end of this two-year period.

2.4 As reported to committee verbally at your last meeting, it is with regret that it has not been possible to meet the publication deadline this year. This was due to a number of technical complications in respect of accounting for the many Covid-19 funding streams and also due to other added work burdens around Covid-19.

2.5 The team has been working very hard to complete the work in a timely and accurate manner and the delay that we've been experiencing here has also been seen at many other councils.

2.6 Our delay here in producing the draft Statement of accounts has also impacted on Grant Thornton and the availability of their audit resources, but we have worked closely with Grant Thornton by keeping them updated on progress and helping set new targets for completion of the statements, which they can in turn match with audit resources.

3 CURRENT POSITION

- 3.1 We're now pleased to be able to report that the draft Statement of Accounts has been published on the council's website at www.ribblevalley.gov.uk/soa and a copy of the same has been sent to Grant Thornton.
- 3.2 Alongside preparing the Statement of Accounts, work has also been carried out by the team on ensuring we fulfil Grant Thornton's working paper requirements.
- 3.3 We will be working closely with Grant Thornton over the coming months to ensure that they have everything needed on a timely basis to help them be in a position to present their Audit Findings Report to your next meeting in November (subject to progress and findings during the audit itself).
- 3.4 It is planned that at this same meeting it will be possible to present the final audited Statement of Accounts to committee for approval.
- 3.5 At that meeting committee will be taken through the various elements of the statements and the key pertinent aspects that may need to be brought to the attention of committee.
- 3.6 Attached at Annex 1 to the report is a useful document prepared by CIPFA a number of years ago, but nonetheless still relevant: 'Understanding Local Authority Financial Statements'. Hopefully this will help give committee some useful background information prior to the presentation of the accounts at your next meeting.

4 CONCLUSION

- 4.1 The deadlines for the preparation and audit of the Statement of Accounts has changed following the Redmond Review.
- 4.2 Unfortunately, the new deadlines have not been able to be met this year due to the complexities of accounting in respect of Covid-19.
- 4.3 We have been working closely with our external auditors Grant Thornton and the Statement of Accounts have now been published and the external audit is underway. It is expected that Committee will be asked to approve the Audited Statement of Accounts at the next meeting in November.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

AA15-21/LO/AC
20 September 2021