

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO ACCOUNTS AND AUDIT COMMITTEE

INFORMATION

meeting date: 10 FEBRUARY 2021  
title: AUDIT OF STATEMENT OF ACCOUNTS 2019/20 - UPDATE  
submitted by: DIRECTOR OF RESOURCES  
principal author: LAWSON ODDIE

## 1 PURPOSE

1.1 To update members on the audit of the Statement of Accounts for 2019/20 and the Audit Opinion for the same.

1.2 Relevance to the Council's ambitions and priorities:

- Corporate priorities – the Council seeks to maintain critical financial management and controls, and provide efficient and effective services.
- Other considerations – the Council has a statutory duty to maintain an adequate and effective system of internal audit.

## 2 BACKGROUND

2.1 At their meeting of 25 November 2020, members were asked to approve the audited Statement of Accounts for 2019/20.

2.2 At the same meeting the external auditor Grant Thornton also presented their Audit Findings Report to members, following the audit of the Statement of Accounts for 2019/20.

2.3 The report from Grant Thornton outlined that:

### Conclusion

Our work on the audit of your financial statements is ongoing and subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Accounts and Audit Committee meeting on 25 November 2020, as detailed in Appendix C. These outstanding items include:

- completion of going concern review, finalising the work on PPE valuations with the responses from the valuer, completion of cut-off testing, completion of work on the NDR Provision, and reconciling the payroll expenditure to the ledger.
- completion of a small number of outstanding audit procedures and review of the work;
- receipt of the final report from the auditor of Lancashire Local Government Pension Scheme;
- receipt of management representation letter; and
- review of the final set of financial statements and subsequent procedures.

2.4 As members will be aware, Councils were still required to prepare financial statements in accordance with the relevant accounting standards and the CIPFA Code of Practice, albeit to an extended deadline for the preparation of the financial statements up to 31 August 2020 and the date for audited financial statements to 30 November 2020.

- 2.5 At the time of reporting the then audited financial statements to members at your meeting of 25 November, officers understood that the Audit Opinion was to be issued within the following days, in order to allow the audited Statement of Accounts together with the Audit Opinion to be published by 30 November.
- 2.6 At the time of producing this update report to members, the council have yet to receive the Audit Opinion in respect of the 2019/20 Statement of Accounts.
- 2.7 As a result, the council have been required to publish the following notice on the website explaining Grant Thornton's current position:

**Audit of Accounts 2019/20**

Ribble Valley Borough Council

External Audit of Accounts: Year Ended 31 March 2020

Publication of Ribble Valley Borough Council Statement of Accounts and Audit Opinion

The Accounts and Audit (England) Regulations 2015 – Regulation 10

As amended by The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020

The audit of the draft statement of accounts for the year ended 31 March 2020 for Ribble Valley Borough Council has not yet been completed by the external auditors, Grant Thornton UK LLP. The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 require that the audited accounts and opinion is published by 30 November 2020.

The delay has arisen due to the following factors:

- the impact of Covid-19 on both the complexity of the audit and pace at which Grant Thornton are able to complete it;
- the increased assurance work that auditors are required to carry out nationally with respect to property asset valuations.

The Council is continuing to work closely with Grant Thornton, as Grant Thornton finalise their work, and the Council will publish the final statement of accounts as soon as is reasonably practicable, once Grant Thornton have concluded the audit and the Audit Report has been issued.

Therefore, this notice of delayed audit is being published in accordance with Regulation 10, paragraph (2a) of the Accounts and Audit Regulations 2015. See <http://www.legislation.gov.uk/uksi/2015/234/regulation/10/made>

**3 CONCLUSION**

- 3.1 The Audit Opinion in respect of the 2019/20 Statement of Accounts has yet to be issued by Grant Thornton
- 3.2 We are continuing to work closely with Grant Thornton and hope to receive the Audit Opinion soon.

HEAD OF FINANCIAL SERVICES  
AA1-21/LO/AC  
1 February 2021

DIRECTOR OF RESOURCES