

<b>Report to:</b>	<b>AUDIT COMMITTEE</b>
<b>Relevant Officer:</b>	Steve Thompson, Director of Resources
<b>Date of Meeting</b>	23 November 2023

## STATEMENT OF ACCOUNTS 2020/2021 AND 2021/2022 EXTERNAL AUDIT UPDATE

### 1.0 Purpose of the report:

1.1 To update the Audit Committee on the progress of the Statement of Accounts for 2020/21 and 2021/22.

### 2.0 Recommendation(s):

2.1 To note the progress of the audit of the Statement of Accounts for 2020/21 and 2021/22.

### 3.0 Reasons for recommendation(s):

3.1 To enable the Committee to note the progress on the Statement of Accounts to ensure compliance with the Accounts and Audit Regulations (England) Regulations 2015.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council’s approved budget? Yes

### 4.0 Other alternative options to be considered:

None, as the Committee is required to approve the Statement of Accounts.

### 5.0 Council Priority:

5.1 The relevant Council Priority is: The economy - maximising growth and opportunity across Blackpool.

### 6.0 Background Information

6.1 At its meeting on 27 July 2023 the Committee resolved that the Statement of Accounts for 2020/21 be approved, subject to clarification on the following points;

- A review of the updated Statement of Accounts to ensure all expected adjustments have been made;
- That the documentation of Infrastructure Assets has been completed; and

- A final review of the ISA 260 document to include the management response to Internal Risk and Control findings.

Subject to the above points being agreed with the Director of Resources after consultation with the Chair of the Committee, the Director of Resources be authorised to sign the Statement of Accounts for 2020/2021 as a true and fair view of the financial position of the Council and its income and expenditure for the year ended 31 March 2021.

Also subject to above the Chair of the Committee be approved in accordance with the Accounts and Audit Regulations (England) 2015, to certify that the Statement of Accounts have been approved by this Committee for the year ended 31 March 2021.

- 6.2 The above points in paragraph 5.1 have now been resolved and the audit of the 2020/21 Statement of Accounts has been completed. A revised ISA 260 has been issued to the Director of Resources stating that the audit is complete subject to the receipt of the signed management representation letter and signed Statement of Accounts.

The management representation letter and Statement of Accounts will be signed following this meeting and passed to Deloitte. Following receipt of these Deloitte will issue their independent auditors report and the audited Statement of Accounts for 2020/21 will be published on the Council's website before the end of the year.

- 6.3 The auditors ISA 260 report was considered by the Committee on 27 July 2023 before the audit of the 2020/21 Statement of Accounts had been completed. A revised final ISA 260 has now been issued to the Director of Resources.

The ISA 260 has been changed to include audit adjustments relating to two intra group transactions which were not eliminated on consolidation in the prior year within the Other Comprehensive Income section of the Comprehensive Income and Expenditure Statement. Changes have also been made to the Cash Flow Statement where transactions have not been classified in line with the CIPFA code and IAS 7. All of these adjustments have been incorporated into the 2020/21 Statement of Accounts.

As there are no changes to the Internal Control and Risk Management section of the revised ISA 260, the management response to the audit findings reported to Audit Committee on 14<sup>th</sup> September 2023 does not require updating.

- 6.4 The draft 2021/22 Statement of Accounts have been amended and now incorporate the changes from the 2020/21 Statement of Accounts, including the changes to accounting for infrastructure assets.

The draft 2021/22 Statement of Accounts have been published on the Council's website and the public inspection period, which is for six weeks, is currently taking place until 22 December 2023.

The majority of the 2021/22 audit has been completed and, subject to the public inspection period progressing without any issues being raised, it is anticipated that the 2021/22 Statement of Accounts and ISA 260 will be reported to Audit Committee in early 2024.

Does the information submitted include any exempt information?

No

**List of Appendices:**

None

**7.0 Financial considerations:**

7.1 None

**8.0 Legal considerations:**

8.1 None

**9.0 Risk management considerations:**

9.1 None

**10.0 Equalities considerations and the impact of this decision for our children and young People:**

10.1 None

**11.0 Sustainability, climate change and environmental considerations:**

11.1 None

**12.0 Internal/ External Consultation undertaken:**

12.1 None

**13.0 Background papers:**

13.1 None