

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Approval for the Publication of the Audited Statement of Accounts 2021/22

Meeting/Date: Corporate Governance Committee – 27th September 2023

Executive Portfolio: Brett Mickelburgh - Executive Councillor for Finance & Resources

Report by: Karen Sutton Director of Finance & Corporate Resources

Ward(s) affected: All

Executive Summary:

The Council is required by statute to produce both an Annual Governance Statement (AGS) and a Statement of Accounts (SOA). Both documents are produced in line with statutory regulations and are required to be approved by 'those charged with governance'.

In order to approve the accounts, the Committee must:

- Consider the Auditors Report (Audit Results Report) (paragraph 3) which comments on the auditor's findings on the Statement of Accounts and their view on Value for Money. Both the Statement of Accounts and the Value for Money position of the Council are expected to receive an unqualified audit opinion. At the time of writing the Audit Results Report at Annex A is still provisional as the audit is still ongoing.
- Approve the Letter of Representation (paragraph 5).
- Approve the Statement of Accounts (paragraph 6).

Recommendation(s):

The Committee is

RECOMMENDED

- (a) To receive the audit results report (Annex A).**
- (b) To approve the letter of representation (Annex B) and authorise the Director of Finance and Corporate Resources (as Section 151 Officer) to sign it on behalf of the Council.**
- (c) To give delegated powers to the Chair of the Committee and Director of Finance and Corporate Resources (as Section 151 Officer) to authorise and sign the audited Statement of Accounts (Annex C) on behalf of the Council subject to the auditors confirming an unqualified opinion on the SOA 2021/22.**

PURPOSE OF THE REPORT

- 1.1 To complete the processes for publishing the Council's Statement of Accounts (SOA) for 2021/22.

2. WHY IS THIS REPORT NECESSARY?

- 2.1 The Corporate Governance Committee is designated as 'those charged with governance' and consequently it is required to approve the Statement of Accounts prior to publication. To do this, the Committee needs to follow the stages in the order shown in the report.

3. RECEIVING THE AUDITORS' REPORT (AUDIT RESULTS REPORT)

- 3.1 At the time of writing the report the audit is not yet complete, with the auditors having some final queries to resolve to enable them to approve the accounts. An up-to-date position will be reported at the Committee by the auditors on outstanding queries and audit review procedures.
- 3.2 The Audit Results Report will be presented to the meeting by the auditors and a draft is attached at Annex A. The auditors will verbally update the Committee at the meeting of any further changes since the issuing of the report.
- 3.3 There were no issues raised as 'Control Observations' by the auditors within the Audit Results Report in respect of the AFR for 2021/22.
- 3.4 In addition to reviewing the AFR, the auditors are required to give a view on Value for Money within the Council. The auditors anticipate an unqualified opinion in respect of the Value for Money conclusion.

4. ANNUAL GOVERNANCE STATEMENT

- 4.1 The Committee, on behalf of the Council is required to review once a year the effectiveness of its system of internal control and following that review approve the AGS. This was approved at the meeting of 26 April 2023 and will be published alongside the SOA, and is shown at Annex D.

5. APPROVE THE LETTER OF REPRESENTATION

- 5.1 Each year, a letter has to be given to the auditor by the Council which explains what the Council has done to ensure its financial records are accurate; a draft of the letter is attached at Annex C. It is 'best practice' for the Committee to approve the content of this letter and then authorise the Chief Finance Officer to sign it on behalf of the Council.
- 5.2 The Committee is asked to agree the draft letter and once the external auditor has confirmed that both the AGS and AFR are unqualified, that the Director of Finance and Corporate Resources sign it on behalf of the Council.

6. CONSULTATION

- 6.1 The Committee is asked to approve the Statement of Accounts; a copy is attached at Annex B. Once the external auditor has confirmed that the SOA is unqualified, then the report will be signed on behalf of the Council.

6.2 The issues that have been raised by the auditor in respect of the AFR are detailed within Section 3 of this report and Section 7 of the Auditors' Results Report.

7. LEGAL IMPLICATIONS

7.1 There are no direct legal implications arising from this report.

8. RESOURCE IMPLICATIONS

8.1 There is a specific budget for the audit fees.

9. REASONS FOR THE RECOMMENDED DECISIONS

9.1 The process that has been followed in preparing the Statement of Accounts has been thorough and is in line with statutory regulations.

9.2 Both the AGS and the SOA have been subject to external audit and reviewed by the Council's auditors, Ernst and Young LLP

LIST OF APPENDICES INCLUDED

Annex A – Audit Results Report 2021-22

Annex B – Letter of Representation 2021-22

Annex C – Statement of Accounts 2021-22

Annex D – Annual Governance Report 2021-22

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