

Audit and Risk Committee

23 January 2023

Report title	Audited Statement of Accounts and Auditors Annual Report	
Accountable director	Claire Nye, Director of Finance	
Originating service	Strategic Finance	
Accountable employee	Alison Shannon	Chief Accountant
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Report to be/has been considered by	None	

Recommendations for decision:

The Audit and Risk Committee is asked to approve:

1. The formal publication of the 2021-2022 Statement of Accounts, as required
2. Approve the draft Management Representation letter which will be signed by the Director of Finance on behalf of the Council
3. Delegate authority to the Chair of Audit and Risk Committee, in consultation with the Director of Finance to agree subsequent changes to the Statement of Accounts and Management Representation letter, should there be any audit adjustments.

Recommendations for noting:

The Audit and Risk Committee is asked to note:

1. The 2021-2022 following reports to those charged with governance from the Council's External Auditors, Grant Thornton
 - a. Updated annual Audit Finding Report
 - b. Auditors Annual Report

1.0 Purpose

1.1 To update the Audit and Risk Committee on Grant Thornton's audit finding in relation to the Statement of Accounts for 2021-2022.

1.2 This report brings together the following documents

- The Audit Findings for City of Wolverhampton Council 2021-2022 and draft opinion
- The Auditor's Annual Report
- Management Letter of Representation
- Statement of Accounts

2.1 Background and Progress

2.1 The draft Statement of Accounts 2021-2022 was certified by the Director of Finance on 15 July 2022, in accordance with the revised deadline of 31 July 2022 as set by the Accounts and Audit (Amendment) Regulations 2022. They were subsequently presented to the Audit and Risk Committee on the 25 July 2022.

2.2 The draft accounts have been subject to audit by the Council's external auditors, Grant Thornton, which has been taking place since July 2022 and is now nearing completion.

2.3 The statutory deadline for the publication of the audited Statement of Accounts is the 30 November 2022 (also extended from 31 July 2022). However, as reported to Audit and Risk Committee on 28 November 2022, Grant Thornton reported that whilst they had made good progress on their audit work, due to a national issue around infrastructure accounting, the audit had not been concluded, and that a statutory instrument in order to override what was required was expected to become law on 25 December 2022.

2.4 The statutory infrastructure has now become law and work has progressed to conclude the audit.

2.5 The format of the Statement of Accounts is governed by the Code of Practice on Local Authority Accounting (the Code), published by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Statement is prepared in accordance with International Financial Reporting Standards (IFRS).

2.6 Under the council's financial procedure rules, Audit and Risk Committee has responsibility for the approval of the financial statements.

3.0 Financial implications

3.1 The statement, and audit of those statements by the external auditors, is an important element of the accountability and transparency of the council's finances.

[AS/13012023/A]

4.0 Legal implications

- 4.1 The Accounts and Audit (Amendment) Regulations 2022 require the 2021-2022 Statement of Accounts be produced in accordance with proper practice. This is exemplified by the Code of Practice on Local Authority Accounting which is published by CIPFA. These regulations also require that the accounts are approved by 31 July 2022 and published by 30 November 2022.
(DP/130123/A).

5.0 Equalities implications

- 5.1 There are no equality implications arising from this report

6.0 All other Implications

- 6.1 There are no other implications arising from this report.

7.0 Schedule of background papers

- 7.1 Draft Statement of Accounts 2020-2021, report to Audit Committee, 25 July 2022

8.0 Appendices

- 8.1 Appendix 1 – The Audit Findings for City of Wolverhampton Council 2021-2022 and draft opinion (to follow)
- 8.3 Appendix 2 - The Auditor's Annual Report
- 8.2 Appendix 3 – Management Letter of Representation
- 8.3 Appendix 4 – Statement of Accounts (to follow)