

Audit and Risk Committee

26 July 2021

Report title	Draft Statement of Accounts 2020-2021	
Accountable director	Claire Nye, Director of Finance	
Originating service	Strategic Finance	
Accountable employee	Emma Bland	Finance Business Partner
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Report to be/has been considered by	None	

Recommendations for noting:

The Audit and Risk Committee is asked to note:

1. That the Director of Finance approved the Draft Statement of Accounts 2020-2021 on 21 June 2021, in accordance with the revised deadline of 31 July 2021.
2. That the 2020-2021 Draft Statement of Accounts is currently being audited by Grant Thornton UK LLP and is expected to continue through to the end of August 2021. Any material changes required as a result of the audit are expected to be reported to the Audit and Risk Committee in September 2021.
3. That formal approval by the Council and publication of the 2020-2021 Statement of Accounts is required by 30 September 2021.
4. That the Statement of Accounts incorporates a copy of the Annual Governance Statement as required by the Accounts and Audit Regulations 2015.

1.0 Purpose

- 1.1 The draft Statement of Accounts for 2020-2021, which is subject to audit, has been approved by the Director of Finance and is appended to this report.

2.0 Background

- 2.1 Previously the draft Statement of Accounts have been required by statute (The Accounts and Audit Regulations 2015) to be prepared and approved by the Section 151 Officer by 31 May. However, given the unprecedented situation across the UK relating to COVID-19, new regulations, (the Accounts and Audit (Amendment) Regulations 2021) extended the deadline from 31 May 2021 to 31 July 2021, to reduce pressure on authorities.
- 2.2 A copy of the draft Statement of Accounts is attached at Appendix A and can also be found at <http://www.wolverhampton.gov.uk/article/3050/Statement-of-Accounts>. The accounts are currently being audited by the Council's appointed external auditors, Grant Thornton; the audit is expected to continue through to the end of August 2021. Following the audit, it is expected that they will report their findings to the Audit and Risk Committee in September. At the same time the final audited Statement of Accounts to be published by the Council will be presented to the Committee for approval.
- 2.3 The statutory deadline for publication of the audited Statement of Accounts is 30 September 2021 (also extended from 31 July 2021).
- 2.4 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).

3.0 Financial Implications

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

[EB/16072021/H]

4.0 Legal implications

- 4.1 The Secretary of State makes the Accounts and Audit Regulations in exercise of powers conferred by the Local Audit and Accountability Act 2014. The Accounts and Audit Regulations 2015 require the 2020-2021 Statement of Accounts be produced in accordance with proper practice.
- 4.2 This is exemplified by the Code of Practice on Local Authority Accounting which is published by CIPFA.

- 4.3 The Accounts and Audit (Amendment) Regulations 2021 require that the accounts are approved by 31 July 2021 and published by 30 September 2021.

[Legal Code: SZ/16072021/P]

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 There are no relevant preceding reports.

8.0 Appendices

- 8.1 Appendix A – Draft Statement of Accounts 2020-2021