

TITLE	Statement of Accounts 2019-20
FOR CONSIDERATION BY	Audit Committee on Monday 22 March 2021
WARD	None Specific;
LEAD OFFICER	Deputy Chief Executive - Graham Ebers
LEAD MEMBER	Executive Member for Finance and Housing - John Kaiser

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

This report is to introduce the annual Statement of Accounts for the financial year 2019-20 in preparation for signing post-audit by the external auditors.

RECOMMENDATION

That the Committee:

- 1) Review the annual Statement of Accounts in conjunction with Annual Audit Report produced by the external auditor (EY) to ensure the accounts have been compiled correctly and in accordance with the Council's accounting policies (contained with the Statement).
- 2) Note that accounts are substantially complete except for a review of the work of the external auditors of the Berkshire Pension Fund,
- 3) Note that EY need to complete their internal consultation around the going concern disclosures and proposed emphasis of matter in relation to the material uncertainty caveat attached to the property valuations undertaken at 31 March 2020.
- 4) Delegate to the Chair of the Committee the authority to sign the Statement of Accounts and the Letter of Representation subject to there being no significant changes from the final review by the external auditors.

SUMMARY

Audit Committee is charged with reviewing the annual Statement of Accounts and ensuring that they have been compiled in accordance with the Council's accounting policies. The accounts are compiled under International Financial Reporting Standards (IFRS) as amended by the CIPFA Code of Practice for Local Authorities (the 'Code'). The reason why the accounts differ from standard private sector accounts under IFRS is that certain items in the accounts have to be reported differently to negate the in-year impact on local taxpayers.

In reviewing the accounts, the Committee is expected to place reliance on the Annual Audit Report from Ernst Young (EY), who are the appointed external auditors for the Council. This report is on the same agenda. The EY review is to ensure the numbers in the report are materially free from error or mis-statement and also to ensure the Council's officers have compiled the accounts in accordance with the 'Code'.

As there is an item outstanding in the accounts which is the final assurance from the Berkshire Pension Fund auditors, it is not possible confirm the final Audit Report and thus the accounts themselves. Committee is therefore asked to approve delegation to the Chair to sign the accounts once the final Audit Report is received (subject to there being no significant amendments).

The external auditors also need to complete their internal consultation around the going concern disclosures and proposed emphasis of matter in relation to the material uncertainty caveat attached to the property valuations undertaken at 31 March 2020.

The Committee is also asked to note the Letter of Representation that the Council is to provide and approve delegation to the Chair to also sign this letter.

Committee should note that the Statement of Accounts and the Letter of Representation will also be signed by the Councils Deputy Chief Executive as Chief Financial Officer.

There will be a signed audit summary from EY in the final published accounts.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Not applicable		
Next Financial Year (Year 2)	Not applicable		
Following Financial Year (Year 3)	Not applicable		

Other Financial Information

- None

Stakeholder Considerations and Consultation

None

Public Sector Equality Duty

This is a statutory report and is not requesting any funding or service changes that would impact on any members of the community and thus has no equalities impact.

Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030

Not applicable

Reasons for considering the report in Part 2

Not applicable

List of Background Papers

None

Contact Bob Watson – Assistant Director Finance	Service Finance
Telephone Tel: 0118 974 6151 07801 664389	Email bob.watson@wokingham.gov.uk

This page is intentionally left blank