

This Report will be made public on



Report Number **AuG/23/08**

To: Audit and Governance Committee
Date: 11 July 2022
Status: Non-Key Decision
Head of Service: Lydia Morrison, Interim Director of Corporate Services
Cabinet Member: Councillor Tim Prater – Leader & Cabinet Member for Finance

Subject: 2021/22 and 2022/23 Statement of Accounts Update Report

Summary:

This report provides an update on recent work undertaken, in relation to prepare the Council's Statement of Accounts for 2021/22 and 2022/23.

Reasons for recommendations:

The Committee is asked to agree the recommendation in order to formally note the progress made against key actions undertaken by Grant Thornton.

Recommendations:

1. To receive and note Report AuG/23/08.

1. INTRODUCTION

- 1.1 This report updates the Committee with the current position in respect of Folkestone and Hythe' s Annual Accounts.

2. UPDATE ON AUDIT OF THE 2020/21 and 2021/22 ANNUAL ACCOUNTS

- 2.1 Audit and Governance Committee at its meeting on the 15th March 2023 received the audited Statement of Accounts for 2020/21 and 2021/22. At this meeting the Committee approved the audited Statement of Accounts for 2020/21 and 2021/22.
- 2.2 Grant Thornton signed the audit reports for the Statement of Accounts for these two years on the 16th March 2023 and the 22nd March 2023 respectively. The audited accounts for both years were published by the end of March 2023.
- 2.3 However Grant Thornton have not yet been able to close the audit for these two years and issue the final audit certificates for both years. This is attributable to a number of objections which have been raised by local authority electors in relation to 2020/21 and 2021/22 Statement of Accounts. Grant Thornton made clear in the audit reports that they did not anticipate that the objections raised would result in any material changes to the audited accounts. Grant Thornton are currently working on clearing these objections and anticipate issuing the final audit certificates soon. An update on progress will be provided by Grant Thornton at the meeting.

3. UPDATE ON THE UNAUDITED 2022/23 STATEMENT OF ACCOUNTS

- 3.1 The Accounts and Audit Regulations 2022 require the Council to prepare the unaudited 2022/23 Statement of Accounts by the 31st May 2023 and publish the audited 2022/23 Statement of Accounts by the 30th September 2023.
- 3.2 The Accounts and Audit Regulations 2022 provide for a period of 30 working days for the exercise of public elector rights to inspect the draft 2022/23 accounts and related supporting documents. This is linked to the deadline for the completion date for 2022/23 Statement of Accounts of 31st May 2023 and, should include the first 10 working days of June, with inspection dates being between 1 June and 12 July 2023.
- 3.3 The delays to audit of the 2020/21 and 2021/22 Statement of Accounts, due to a variety of complex factors, have impacted on the preparation of the 2022/23 Statement of Accounts and the Council will not be in a position to commence the period for the exercise of public rights as set out above.
- 3.4 It is provisionally anticipated that the Council will publish the unaudited 2022/23 Statement of Accounts on Monday 31st July and therefore on this basis the period for public inspection would commence on the 1st August and end on the 12th August.

3. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

3.1 Legal Officer's Comments (AK)

There are no additional legal comments arising from this report

3.2 Finance Officer's Comments (CS)

There are no financial implications arising directly from this report.

4. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Lydia Morrison – Interim Director of Corporate Services

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The following background documents have been relied upon in the preparation of this report:

- None