

CYNGOR SIR POWYS COUNTY COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

29th September 2021

REPORT AUTHOR: Jane Thomas, Head of Financial Services

**SUBJECT: Statement of Accounts and Pension Fund Accounts
2020/21**

REPORT FOR: Information

- 1.1 The draft Statement of Accounts for 2020/21 were signed off by the Head of Finance (Section 151 Officer) on 21 June 2021 as required by Accounts and Audit (Wales) Regulations 2014 (as amended).
- 1.2 The impact of the pandemic has once again meant Welsh Government made provision for a potential delay in completing the accounts, extending the date for the preparation and certification of draft accounts to the 31 August 2021 with the publication of final audited accounts extended to the 30 November 2021 for all local government bodies in Wales. Each authority was advised that by including a note on the Authority website to say why they have not been prepared or published within existing deadlines then the Authority is complying with legislation. The Accounts and Audit (Wales) Regulations 2014 (as amended), stipulate timescales of 31 May for responsible financial officer certification and 31 July for publication. As advised the Authority placed a notice on its website prior to 31 July 2021.
- 1.3 The Pension Fund Accounts are not being considered at this meeting as the audit has yet to be completed and a date for Audit Committee approval will be scheduled prior to 30 November 2021.
- 1.4 The Auditor General intends to issue an unqualified opinion on the 2020/21 Accounts of the Authority following the Committees consideration and approval, The Head of Finance (Section 151 Officer) and the Chair of Governance and Audit Committee will sign the Statement of Accounts. Arrangements will then be made to publish these accounts.
- 1.5 As part of its role in scrutinising the Council's Statement of Accounts, Governance and Audit Committee has participated in two Audit seminars. One on 23 July 2021, where they received a presentation on the draft accounts submitted to Audit Wales and another held on the 21 September 2021 which presented the main changes made since the draft and reviewed the items and issues raised during the audit period. Members of the Committee used this opportunity to review and question the amendments, enabling them to fully understand the reasons for the changes and any impact they have on the accounts.

- 1.6 There is one misstatement identified in the audited accounts that remains uncorrected. It concerns a £694m Welsh Government short term debtor in respect of the Welshpool CIW school building project part financed by the 21st Century Schools Project. Management is of the view that the funding will be received and debtor is valid.
- 1.7 All other misstatements have been corrected and these are recorded in Appendix 3 of the Auditor General's Report.
- 1.8 The Auditor General's report includes emphasis of matter paragraphs relating to the uncertainty on valuations of operational property assets, investment properties and surplus assets. This reflects the unknown future impact that Covid 19 might have on the real estate market at the valuation date.
- 1.9 The Accounts were made available for Public Inspection and the Auditors made themselves available for questions on the Accounts, the opportunity was not taken up by anyone this year.
- 1.10 The Project approach used in 2020/21 will continue in 2021/22, the project outline, timetable and actions will be put in place shortly and will incorporate any issues encountered this year alongside any recommendations identified in the forthcoming Audit Wales accounts memorandum report.
- 1.11 The Statement of Accounts and Annual Governance Statement are presented as separate documents and approval will be sought for each.

Recommendation:	Reason for Recommendation:
<p>The Governance and Audit Committee considers and approves the 2020-21 Statement of Accounts. Which can be formally signed by Chair of the Committee and the Section 151 Officer.</p> <p>The Statement of Accounts be published as soon as possible but certainly by the 30 November 2021.</p> <p>That Governance and Audit Committee considers and approves the 2020-21 Annual Governance Statement. Which can be formally signed by The Leader of the Council and the Chief Executive.</p> <p>The Annual Governance Statement be published as soon as possible but certainly by the 30 November 2021.</p>	<p>To ensure compliance with the Statutory Requirements.</p>

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