

WELWYN HATFIELD BOROUGH COUNCIL
AUDIT COMMITTEE – 30 JANUARY 2024
REPORT OF THE EXECUTIVE DIRECTOR (FINANCE AND TRANSFORMATION)

2021/22 STATEMENT OF ACCOUNTS

1 Executive Summary

- 1.1 The draft 2021/22 statement of accounts were signed off by the Chief Financial Officer on 29 July 2022.
- 1.2 Due to national issues in the audit market, the audit of the accounts was delayed. A statement was published on the Councils website, as required by statute, as the accounts were not audited by the required date.
- 1.3 The accounts have now been audited, subject to ongoing areas which will continue to be considered by the auditors, up to the date of signing the accounts, such as going concern. The auditors report is also presented at this meeting.

2 Recommendation(s)

- 2.1 That the Committee approve the statement of accounts for 2021/22, subject to noting the external auditors reports and findings, as presented at this meeting.

3 Explanation

- 3.1 The draft 2021/22 statement of accounts were signed off by the Chief Financial Officer on 29 July 2022.
- 3.2 Due to national issues in the audit market, the audit of the accounts was delayed. A statement was published on the Councils website, as required by statute, as the accounts were not audited by the required date.
- 3.3 The accounts have now been audited, subject to ongoing areas which will continue to be considered by the auditors, up to the date of signing the accounts, such as going concern.
- 3.4 The auditors report is also presented at this meeting. A number of adjustments were made to the accounts, which are highlighted in the auditors report. None of these impact on the useable reserves of the Council.
- 3.5 There are also some unadjusted errors highlighted in the accounts, such as on differences in valuer opinion on the asset values. Officers have recommended not adjusting for these items as they are below the materiality threshold, and the restatement of 2021/22 accounts, would require further adjustments to opening balances in the 2022/23 for which audit is also overdue.

Implications

4 Legal Implication(s)

- 4.1 The Chief Financial Officer has the powers within the Council's financial procedure rules to amend and update the accounting policies; the role of the Audit Committee is to consider and approve the Council's Statement of Accounts.
- 4.2 There is a statutory requirement to publish the approved and audited Statement of Accounts, or to place a statement on the councils website where this has not been completed by the statutory deadline. This statement was published on the council website. .

5 Financial Implication(s)

- 5.1 There are no direct financial implications arising from this report or recommendations.

6 Risk Management Implications

- 6.1 There is a risk that the Statement of Accounts fails to meet regulatory and professional standards or timetables (likelihood low, impact high). The potential impacts include qualification of the Statement of Accounts and/or balances on accounts may be uncertain. Members should note that effective controls have been put in place (e.g. staff training) to minimise the likelihood of occurrence

7 Security and Terrorism Implication(s)

- 7.1 None.

8 Procurement Implication(s)

- 8.1 None.

9 Climate Change Implication(s)

- 9.1 None.

10 Human Resources Implication(s)

- 10.1 None.

11 Health and Wellbeing Implication(s)

- 11.1 None.

12 Communication and Engagement Implication(s)

- 12.1 None.

13 Link to Corporate Priorities

- 13.1 The subject of this report is linked to a statutory requirement, under Accounts and Audit Regulations 2015, and amended by The Accounts and Audit (Coronavirus) Amendments Regulations 2020 (SI 2020/404).

14 Equality and Diversity

14.1 An EqIA was not completed because this report does not propose changes to existing service-related policies or the development of new service-related policies.

Name of author	Richard Baker
Title	Executive Director (Finance and Transformation)
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