

MEETING: AUDIT AND GOVERNANCE COMMITTEE

DATE: 17 JUNE 2021

TITLE: STATEMENT OF ACCOUNTS 2020/21

PURPOSE / RECOMMENDATION: TO RECEIVE THE STATUTORY STATEMENT OF ACCOUNTS (PRE-AUDIT DRAFT) FOR INFORMATION

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CABINET MEMBER: COUNCILLOR IOAN THOMAS

1. INTRODUCTION

- 1.1 This report introduces the statutory Statement of Accounts for the 2020/21 financial year, which provides details of the Council's financial activities during the year which ended on 31 March 2021.
- 1.2 The following document is the draft Statement of Accounts in its statutory format, 87 pages long in each language. A link to the Statement was sent to all elected members and chief officers of the Council on 28 May 2021.
- 1.3 The draft accounts presented here are currently subject to audit, so it is possible that some changes will be necessary before a final version is submitted for approval at the 14 October 2021 meeting of the Audit and Governance Committee.
- 1.4 The basic form and content of these Statements is prescribed under the Accounts and Audit (Wales) (Amendment) Regulations 2018, as well as other national regulations and standards. Several requirements of the IFRS (International Financial Reporting Standards) are based on Code of Practice on Local Authority Accounting and apply to the Council's Statement of Accounts for 2020/21. As the regulations require statements in a standard format, comparisons with other bodies' accounts is facilitated, but the statements have now become technically complex and difficult to understand.
- 1.5 A simple summary "outturn" report relating to the 2020/21 accounts was presented to the Cabinet meeting on 18 May 2021 and to the Audit and Governance Committee on 27 May 2021. That report was more useful for internal / management purposes, while the Statement of Accounts is more suited for external / governance purposes.

2. ACTION REQUIRED

- 2.1 The Audit and Governance Committee are “those charged with governance” on behalf of the Council, and approved the draft (subject to audit) statement of accounts prior to 2009/10. However, revisions in 2010 to the Accounts and Audit Regulations gave the Statutory Finance Officer (the Head of Finance in Gwynedd Council) responsibility for approving and certifying the draft accounts before the statutory deadline (31 May for the 2020/21 accounts).
- 2.2 There is no longer any requirement for elected members to approve the draft version of the Council’s Statement of Accounts, but this is presented to the Audit and Governance Committee FOR INFORMATION as good practice.
- 2.3 Doubtless, the committee’s members will wish to consider and understand the content now, in preparation for approving the final version on 14 October, and to equip themselves with information to consider relevant risks and other matters being audited in their context.

3. SUBSEQUENT STEPS

- 3.1 Further to certification by the Head of Finance and consideration by the Audit and Governance Committee, the 2020/21 Statement of Accounts, with all other relevant statements are the subject of the annual audit process by Audit Wales, Gwynedd Council’s external auditors, who were appointed by the Auditor General for Wales.
- 3.2 In accordance with the Accounts and Audit (Wales) (Amendment) Regulations 2018, the Council has notified the public, on the Council’s website, that the accounts will be available for inspection for a 20 working day period, commencing on 19 July 2021. As part of the audit process, local government electors also have the opportunity to question the external auditor about the Council’s accounts.
- 3.3 As noted in paragraph 1.3 (above), the final (audited) version of the Council’s 2020/21 Statement of Accounts will be submitted to the meeting of the Audit and Governance Committee on 14 October 2021 FOR APPROVAL, along with a report on behalf of the Auditor General for Wales.
- 3.4 Subsequently, it is the Finance Department’s intention to provide a link to the final Statement to all elected members and all chief officers of the Council, as well as other interested parties, as we did on 28 May with the draft Statement of Accounts.

4. RECOMMENDATION

- 4.1 The Audit and Governance Committee is asked to receive and note the Council’s Statement of Accounts (subject to audit) for 2020/21.