

STROUD DISTRICT COUNCIL

AUDIT AND STANDARDS COMMITTEE

28 SEPTEMBER 2021

Report Title	STATEMENT OF ACCOUNTS 2020/21			
Purpose of Report	To approve the Statement of Accounts 2020/21 and receive Deloitte's audit opinion, including the changes to the accounts since the unaudited accounts were signed off by the Strategic Director of Resources on 1 July 2021.			
Decision(s)	Audit and Standards Committee RESOLVES to: a) Approve the audited Statement of Accounts for the year ending 31 March 2021 and b) Approve that the Strategic Director of Resources and Chair of the Audit Committee sign the Statement of Accounts and the letter of representation.			
Consultation and Feedback	Not applicable.			
Report Author	Graham Bailey, Principal Accountant Tel: 01453 754133 Email: graham.bailey@stroud.gov.uk			
Options	None			
Background Papers	None			
Appendices	A – Statement of Accounts 2020-21			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	No	No	No	No

DISCUSSION

1. In accordance with requirements under the Accounts and Audit Regulations 2015, as amended by The Accounts and Audit (Amendment) Regulations 2021, the Strategic Director of Resources is required to sign and date the Statement of Accounts by 31 July 2021 and certify that it presents a true and fair view of the financial position of the Council at the end of March 2021 and its income and expenditure.
2. The Statement of Accounts for 2020/21 was signed as approved by the Strategic Director of Resources on 1 July 2021, in accordance with these requirements. The unaudited Statement of Accounts 2020/21 was made available on the Council's website from 1 July 2021 in compliance with the amended Accounts and Audit Regulations 2015.
3. A number of changes have been made to the unaudited Statement of Accounts 2020/21. Some changes are to the narrative content, general presentation for the benefit of readers and to the internal consistency and correctness of the figures in notes to the accounts.

4. Through the Committee resolving to approve the audited Statement of Accounts, the Strategic Director of Resources together with the Chairman of the Audit and Standards Committee will need to sign a letter of representation on behalf of the Committee and Council to Deloitte, to enable the audit opinion to be issued. The signing of this letter is consistent with established protocols, the requirements of Deloitte and the general delegations to the Strategic Director of Resources. This letter is a formal written record of the representations being made on behalf of the Council via the committee. It deals with the processes and procedures the Council adopts to ensure that it is in compliance with statutory requirements, laws and regulations and also confirms there is a sufficiently robust management system to prevent and detect fraud and irregularities.
5. In addition, Regulation 9 requires that the Statement of Accounts should be signed and dated by the Chair presiding at the Audit and Standards Committee meeting at which approval is given. That regulation also requires the Statement of Accounts is published with the Independent auditor's report to the members of Stroud District Council.
6. The Council's external auditors Deloitte also present separately to this meeting their 'Report to the Audit & Standards Committee on the 2020/21 audit', which summarises their finding arising from their audit of the Statement of Accounts.
7. The Statement of Accounts is comprised of four main statements as required by International Financial Reporting Standards which are:-

- **Movement in Reserves Statement**

This is split between usable and unusable reserves and shows the detail of movement in reserves, from the surplus / (deficit) on provision of services in the Comprehensive Income and Expenditure Statement (CIES), to the position on the Balance Sheet at 31 March 2021.

- **Comprehensive Income and Expenditure Statement**

The CIES consolidates all the financial gains and losses experienced during the year. The CIES has two sections:

- a) Surplus or Deficit on the Provision of Services – which shows the increase or decrease in the net worth of the Council as a result of incurring expenses and generating income.
- b) Other Comprehensive Income and Expenditure – which shows any other changes to net worth, and examples include movements in the fair value of assets or actuarial gains or losses on pension assets and liabilities.

- **Balance Sheet**

The Balance Sheet summarises the Council's financial position at 31 March 2021. The top half shows accrued assets and liabilities. The bottom half is comprised of reserves, split between usable and unusable reserves, which represent the net worth of the Council.

- **Cash Flow Statement**

This shows the year on year change in cash and cash equivalents, which are cash on call, and investments with a maturity of three months or less.

The **Expenditure and Funding Analysis** is included prominently before the main statements of the Statement of Accounts. This links the figures in the Comprehensive Income and Expenditure Statement to outturn figures reported to each of the Council's committees.

8. A full revised version of the accounts is enclosed at Appendix A. Once the accounts are approved and signed a copy will be made available on the Council's internet site together with the Annual Governance Report <https://www.stroud.gov.uk/council-and-democracy/public-notices/public-notice-audit-of-statement-of-accounts-2020-21>.

IMPLICATIONS

Financial Implications

There are no financial implications arising from this report.

Andrew Cummings, Strategic Director of Resources

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Legal Implications

There are no direct legal implications arising from this report.

One Legal

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Equality Implications

There are no equality implications arising from the recommendations made in this report.

Environmental Implications

There are no environmental implications arising from the recommendations made in this report.