

UPDATE ON THE 2021/22 STATEMENT OF ACCOUNTS AND EXTERNAL AUDIT RESULTS REPORT FOR THE YEAR ENDED 31 MARCH 2022

Committee name	Audit Committee
Officer reporting	James Lake, Director of Pensions, Treasury & Statutory Accounts
Papers with report	Draft Audit Results Report – to follow
Ward	All

HEADLINES

This report provides an update on the audit of the 2021/22 Statement of Accounts and presents the draft Audit Results Report.

RECOMMENDATIONS:

- 1. That the Audit Committee note the position regarding the 2021/22 Statement of Accounts and Draft Audit Results Report and delegate authority to the Corporate Director of Finance (in consultation with the Chairman and incorporating any views from other Members of the Audit Committee) to approve these on behalf of the Committee and to report back to the next Audit Committee meeting on these matters for ratification.**

SUPPORTING INFORMATION

The audit of the 2021/22 Statement of Accounts has progressed to the point where EY is now able to issue a draft Audit Results Report.

Subject to the procedures listed below, which are to be updated closer to final audit sign-off, the audit of the Statement of Accounts is expected to complete imminently and receive an unmodified opinion.

- Agreement of final amendments to the accounts
- Updated going concern procedures
- Subsequent events update
- Management representations letter

EY will provide a verbal update on their report at the Committee meeting.

FINANCIAL IMPLICATIONS

Proposed scale fees detailed in the original audit plan for the London Borough of Hillingdon include the PSAA agreed scale fee of £121,096. Extra scale and variation fees will be discussed with the PSAA.

For the London Borough Pension Fund agreed scale fees are £16,170. Extra scale and variation fees will be discussed with the PSAA.

These additional scale fees are being considered by the PSAA as part of the national consideration of EY's fee proposals. The Corporate Director of Finance will also consider these fees in line with benchmarking information and in consultation with EY. An allowance for increased fees has been made within the Council's statement of accounts.

LEGAL IMPLICATIONS

The Secretary of State for Communities and Local Government delegated statutory functions (from the Audit Commission Act 1998) to PSAA on a transitional basis under powers contained in the Local Audit and Accountability Act 2014. In Hillingdon, EY have been appointed by the PSAA to carry out this function. Other legal implications are included in the body of the report.

The Accounts and Audit (Amendment) Regulations 2022:

4B Paragraph (1) applies in relation to the publication of documents relating to the financial year beginning in 2021 as if for "31st July" there were substituted "30th November".

6A Paragraph (2)(b) applies in relation to the audit of accounts relating to the financial year beginning in 2021 as if for "but not later than 31st July" there were substituted "but not later than 30th November".

BACKGROUND PAPERS

To follow.