

REPORT REFERENCE NO.	AGC/21/8
MEETING	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	28 OCTOBER 2021
SUBJECT OF REPORT	FINANCIAL STATEMENTS 2020-21
LEAD OFFICER	Treasurer
RECOMMENDATIONS	<p><i>(a). that the 2020-21 final Statement of Accounts be published in accordance with the Accounts and Audit Regulations 2015 (as amended);</i></p> <p><i>(b). that, subject to (a) above, the report be noted.</i></p>
EXECUTIVE SUMMARY	<p>The Accounts and Audit Regulations 2015 (“the Regulations”) provide the basis for the preparation, audit and publication of both the draft and final Financial Statements. The Financial Statements comprise:</p> <ul style="list-style-type: none"> • the Statement of Accounts (including any certificate or opinion provided by the external auditor); • the Annual Statement of Assurance; and • the Narrative Statement (Audit Findings). <p>In early 2021, revised Regulations were instigated – The Accounts and Audit (Amendment) Regulations 2021 - that extended the statutory audit deadlines for the financial statements for both 2020-21 and 2021-22. The publication date for audited bodies has moved from 30 July 2021 to 30 September 2021.</p> <p>This report now advises on the current position in relation to the final Statement of Accounts and associated documents.</p>
RESOURCE IMPLICATIONS	As indicated in the report.
EQUALITY IMPACT ASSESSMENT	An initial assessment has not identified any equality issues emanating from this report.
APPENDICES	None.
BACKGROUND PAPERS	<p>External Audit Scope document – 30 July 2021</p> <p>The Accounts and Audit Regulations 2015 (as amended)</p>

1. INTRODUCTION AND BACKGROUND

- 1.1. The Accounts and Audit Regulations 2015 as amended (“The Regulations”), which apply to the Authority, introduced a new timetable for preparation, audit and publication of both the draft and final Financial Statements. The Financial Statements comprise the Statement of Accounts, including the Narrative Statement, and the Annual Statement of Assurance. Whilst the Regulations came in to force in 2015, the revisions to the timescales for publication applied in the 2021 amendment relating to financial years commencing in 2020 and 2021, means this deadline has been extended to 30 September. Prior to publication, the Financial Statements must be approved by this Committee (as per Regulation 9(2)).
- 1.2. The key aspect of the (revised) Regulations is highlighted in the extract below:
- “**10.—**(1) A Category 1 authority **must**, after approving the statement of accounts in accordance with regulation 9(2) but not later than **30 September** of the financial year immediately following the end of the financial year to which the statement relates, publish (which must include publication on the authority’s website)—
- (a) the statement of accounts together with any certificate or opinion, entered by the local auditor in accordance with section 20(2) of the Act;
 - (b) the annual governance statement approved in accordance with regulation 6(2); and
 - (c) the narrative statement prepared in accordance with regulation 8.
- (2) Where an audit of accounts has **not been** concluded before the date specified in paragraph (1) an authority **must**—
- (a) publish (which must include publication on the authority’s website) as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the statement of accounts and its reasons for this; and
 - (b) comply with paragraph (1) as if for “but not later than **30 September** of the financial year immediately following the end of the financial year to which the statement relates” there were substituted “as soon as reasonably practicable after the receipt of any report from the auditor which contains the auditor’s final findings from the audit which is issued before the conclusion of the audit”.
- 1.3. The Regulations require the final financial statements to be signed off either by the full Authority or by a committee so delegated. For this Authority, this function has been delegated to the Audit & Governance Committee.

2. 2020-21 FINANCIAL STATEMENTS

- 2.1. Despite the complications that arose as a result of the Covid-19 pandemic, the Authority's 2020-21 draft financial statements were published on the website in accordance with Regulation 9(1) and the external auditor notified of this on 28 June 2021.
- 2.2. The external auditors indicated at the Audit & Governance Committee meeting held on 30 July 2021 (Minute AGC/21/1 refers) that, whilst the majority of the financial audit for Devon & Somerset Fire & Rescue Authority had been completed, the Value for Money (VFM) opinion required before a certificate on the Financial Statements can be issued, was not concluded, thus it was agreed subsequently to submit the final Statement of Accounts to the Devon & Somerset Fire & Rescue Authority at its meeting on 29 September 2021.
- 2.3. The Authority agreed and signed the final Statement of Accounts at its meeting on 29 September 2021 in order to comply with the Regulations (Minute DSFRA/21/19 refers). A link to the Statement of Accounts for 2020-21 is included below for ease of reference:

[Appendix A to report DSFRA2121.pdf \(dsfire.gov.uk\)](#)
- 2.4. The external auditor was unable to provide the opinion on the VFM conclusion by 30 September 2021 to complete the audit of the Authority's financial statements. As a result, the Authority published on its website a notice stating why the final Statement of Accounts had not been published and the reason for this.
- 2.5. The final Statement of Accounts (as approved on 29 September 2021) is therefore set out in the link above. The Annual Statement of Assurance was also approved alongside the Statement of Accounts for 2020-21 on 29 September 2021. The Auditor's Finding's and the Letter of Representation required to accompany the final Statement of Accounts are set out elsewhere on the agenda for this meeting.

SHAYNE SCOTT
Treasurer