

Report sponsor: Simon Riley, Strategic Director
of Corporate Resources
Report author: Peter Shillcock, Group
Accountant

Audited Financial Statements for the year ended 31 March 2020

Purpose

- 1.1 To provide the Audit and Accounts Committee with the audited Financial Statements of the Council in respect of the year ended 31 March 2020.
- 1.2 The Financial Statements should be read in conjunction with the findings of Ernst Young (External Auditor) as stated in their ISA 260 letter also included on this agenda.

Recommendations

- 2.1 To approve the audited Financial Statements for the year ended 31 March 2020 – subject to outcome of Derbyshire County Council pension audit and completion of Ernst and Young's (EY) quality review.
- 2.2 To delegate authority for the final approval of the Financial Statements to the Strategic Director of Corporate Resources and Chair of the Audit and Accounts Committee, subject to satisfactory pension audit and any narrative amendments arising from EY's quality review.

Reason

- 3.1 The Audit and Accounts Committee is the delegated Committee to approve the audited financial statements on behalf of Council.

Supporting information

- 4.1 At the meeting of the Audit and Accounts Committee on 30 September 2020, members were presented with a set of accounts for approval. At this meeting members were informed that work was still on-going with the audit and a number of issues were still to be resolved with our auditors.
- 4.2 During the meeting the outstanding issues in the ISA260 were explained to members but they concluded that they were not able to delegate approval of the final Statement of Accounts to the Chair of the committee and the Strategic Director of Corporate Resources due to the number of issues outstanding.

- 4.3 It was recommended and agreed that all outstanding issues should be resolved, and a report brought back to the next committee requesting approval of the final set of financial statements.
- 4.4 With the exception of the pensions issue, all other issues identified previously have now been resolved. The audit of the Derbyshire Pension Fund, however, is still to be completed. The auditors of the fund have indicated that they will not be able to complete their work until the end of November. As a result, EY cannot complete their work on the City's Council's pension fund notes within the financial statements. The audit opinion will therefore be subject to this work being completed.
- 4.5 In addition, because of evolving issues around Covid-19 the financial statements have not fully passed through EY's quality checks. However, this does not affect the audit opinion in the ISA260 or the financial position reported.

Public/stakeholder engagement

- 5.1 None directly arising

Other options

- 6.1 None as the Council has a statutory responsibility to publish its audited accounts each year and responsibility for this is delegated to the Audit and Accounts Committee.

Financial and value for money issues

- 7.1 As detailed in the report

Legal implications

- 8.1 None directly arising

Climate implications

- 9.1 None directly arising

Other significant implications

- 10.1 None directly arising

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Emily Feenan, Director of Legal, Procurement and Democratic Services	23/10/20
Finance	Toni Nash, Head of Corporate Finance	23/10/20
Service Director(s)	Alison Parkin, Interim Director of Financial Services	
Report sponsor	Simon Riley, Strategic Director of Corporate Resources	23/10/20
Other(s)	Andy Hills, Environment and Business Energy Efficiency Group Manager	23/10/20

Background papers:
List of appendices: Appendix 1 –
2019/20 Financial Statements