

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO GOVERNANCE AND AUDIT COMMITTEE

11 NOVEMBER 2021

REPORT OF THE INTERIM CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

STATEMENT OF ACCOUNTS 2020-21: AUDIT WALES' MATTERS ARISING LETTER

1. Purpose of report

- 1.1 The purpose of this report is to provide the Committee with Audit Wales' matters arising letter in relation to the audit of the Council's Statement of Accounts 2020-21 for noting.

2. Connection to corporate well-being objectives/other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015**:

- **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

- 2.2 The Statement of Accounts provides information regarding the Council's use of resources during the year, and of its financial position as at the year end.

3. Background

- 3.1 The audited Statement of Accounts 2020-21 were presented and approved by the Committee on 22 July 2021, following which the accounts were signed by the Auditor General for Wales and published on the Council's website by the statutory deadline of 31 July 2021.

- 3.2 In line with the International Standard on Auditing (ISA) 260, the external auditor is required to communicate relevant matters relating to the audit of the financial statements to those 'charged with governance'. Due to the tight timescales to meet the statutory deadline for publishing the accounts by 31 July 2021 the matters arising and areas for improvements were not reported to the Committee at the meeting in July 2021.

4. Current situation/proposal

- 4.1 In line with ISA 260, the Matters Arising letter is attached at **Appendix A**. The letter confirms that the financial statements were given an unqualified opinion and that Audit Wales have no concerns about the qualitative aspects of the Council's accounting practices and financial reporting.

4.2 The audit did identify three potential areas for improvement which have been considered and agreed, and will be addressed in readiness for the 2021-22 closing of accounts process, as set out in **Appendix A**.

5. Effect upon policy framework and procedure rules

5.1 The report does not have any impact on policy framework or procedure rules.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. This is an information report, therefore it is not necessary to carry out an EIA in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 There are no financial implications arising from this report.

9. Recommendation(s)

9.1 It is recommended that the Committee:

- Note the appointed auditor's Matters Arising letter at **Appendix A**.

Gill Lewis CPFA
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November 2021

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Background documents:

None