

Committee: Audit and Standards Committee

Date: Tuesday, 10
December 2024

Title: Accounts Sign Off and Toleration of Disclaimer
Opinions for 2019/20 through 2022/23

**Report
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Revenues and Benefits

**Lead
Member:** Cllr Hargreaves, Portfolio Holder for Finance

Summary

1. The report delegates the sign off of the Accounts for 2019/20 through 2022/23. It notes the expected disclaimer approach.

Recommendations

2. To delegate the approval to sign off to the Chair of the Audit and Standards Committee.
3. To bring back the 2022/23 Accounts to explain the Accounts in great details to the January Audit and Standards Committee.

Financial Implications

3. The main implication is that not having signed unqualified accounts makes it more challenging to have a positive relationship with suppliers, customers, residents and commercial partners.

Background Papers

4. No background Papers

Impact

5. As below:

Communication/Consultation	N/A
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	It is a requirement to have approved sets of Accounts.

Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Situation

6. Backstop dates for audits have been imposed for local government and their auditors.
7. BDO have not been able to complete the audits in time due to lack of resources and time to complete the Audits, especially as the 2023/24 Accounts are moving to conclusion and the Audit process is already underway with a different firm, KPMG. These accounts will therefore be disclaimed.
8. It is important to note the current partner, Ciaran Mclaughlin, was not a member of BDO when the current challenges were faced by the council. Indeed, BDO has since left the local government market bar the historic sets of accounts and the related Value for Money conclusions.
9. 2019/20 through 2022/23 are on the council's website.
10. 2019/20 to 2021/22 are ready for sign off by the Chair of the Audit and Standards Committee, as they have passed the 30 day inspection periods, subject to there not being any objections.
11. Due to the lack of audit, it is not proposed that the committee spends any more time reviewing these sets of Accounts than is strictly necessary.
12. 2022/23 will be presented in detail in the next Audit and Standards Committee. This will take place after the 30 day inspection period. As its closing balances would not only form the prior year comparators for 2023/24 but also be the third balance sheet in any possible restatement, this year may have particular significance.
13. Nonetheless, due to prior disclaimers, 2023/24 will automatically be disclaimed by KPMG. Moreover, as the 2022/23 Accounts will not be audited by BDO, KPMG will not necessarily feel comfortable in moving to unqualified accounts till 2026/27, with 2025/26 still being more likely to be qualified.
14. As such, 2019/20 through 2022/23 are attached for information's sake alone.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The risk is not signing off the Accounts in a timely fashion or have	N/A	N/A	Catch up with the existing accounts and audit processes.

them be audited in such a timescale.			
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- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.