
Mendip District Council Statement of Accounts 2022-23 and External Audit Reports

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Summary / Link to Corporate Plan

1. The 2022/23 external audit for Mendip District Council has been finalised. This report presents the unqualified audited accounts for Mendip District Council for 2022/23 to the Audit & Governance Committee for consideration and approval, accompanied by the findings of the external auditors Ernst & Young LLP's audit results.
2. Somerset Council Audit Committee has to provide the governance overview and consideration of all legacy Councils outstanding Statement of Accounts. This will include all 2022/23 accounts for the former Somerset Council and the four district councils, of which one was Mendip District Council.

Recommendations

3. The Audit Committee:
 - a) Approves the Statement of Accounts as attached in Appendix 1 for Mendip District Council for 2022/23, or delegates approval for the accounts to the Executive Director of Resources and Corporate Services in conjunction with the Chair or Vice-Chair, once any outstanding matters have been resolved.

- b) Approves the amended Annual Governance Statement for 2022/23 attached at Appendix 2.
- c) Notes the Audit Findings report from the external Auditors Ernst & Young as per Appendix 3
- d) Approves the signing of the letter of representation as per Appendix 4.

Reasons for recommendations

- 4. As advised in the summary this is a statutory requirement to publish the audited Statement of Accounts.

Links to Council Plan and Medium-Term Financial Plan

- 5. Achievement of the Corporate Priorities as set out in the Council's plan is intrinsically linked to the spending of the Council's budget. Provided the outturn is within budget tolerance as is the case in 2022 23 this will be line with the Medium-Term Financial Plan.

Financial and Risk Implications

- 6. There are no direct financial and risk implications.

Legal Implications

- 7. There are no direct legal implications.

HR Implications

- 8. There are no direct HR implications from the Statement of Accounts/reports.

Other Implications:

Equalities Implications

- 9. There are no direct equality implications from the Statement of Accounts/ reports.

Community Safety Implications

10. There are no Community Safety implications from the Statement of Accounts/reports.

Climate Change and Sustainability Implications

11. There are no Climate Change and sustainability implications from the Statement of Accounts/reports.

Health and Safety Implications

12. There are no direct HR implications from the Statement of Accounts/reports.

Health and Wellbeing Implications

13. There are no Health and Well being implications from the Statement of Accounts/reports.

Social Value

14. There are no direct social value implications from the Statement of Accounts/reports.

Background

15. The Accounts and Audit Regulations 2015, as amended by the Accounts and Audit (amendment) regulations 2022 require the Director of Finance to publish the unaudited Statement of Accounts 2022-23 no later than 31 May 2023 and certify that they give a true and fair view of the County Council's financial position and income and expenditure for the year. This draft Statement of Accounts was published on 12 June 2023 by the Council.
16. The Regulations required the Audited Statement of Accounts to be considered by a committee of the Council by 30 September 2023 and, following that consideration, to be approved by resolution of that committee. However due to the impacts of the increased assurance work auditors are required to carry out in respect of pensions and asset valuations and resourcing, and the impact of the backlog of accounts across local authorities/public sector it was not possible to deliver the accounts until now.

17. This report seeks approval for the audited accounts for Mendip District Council for 2022/23. Attached at Appendix 3 are Ernst Young's Audit Findings Report which sets out issues, amendments and corrections required and recommendations for future year end procedures.
18. The auditors have not raised any significant risks and or recommendations in their report. During the audit they did identify a few misstatements that have been discussed with management. Some of these have been adjusted for in the updated Statement of Accounts, but a number remain uncorrected based on grounds of materiality. Details of this are shown on pages 24 & 25 of appendix 3.
19. Part of the audit is reviewing the councils Annual Governance Statement. A handful of small adjustments were required to the AGS that was previously reviewed by the Committee on 29 June 2023 and this is therefore required to be reapproved.
20. Representatives from Ernst Young will be attending the Committee remotely to go through the report and answer any questions posed.

Appendices

- Appendix 1 - Legacy Mendip District Council's Statement of Accounts 2022- 23
- Appendix 2 - Legacy Mendip District Council's Annual Governance Statement 2022-23
- Appendix 3 - Ernst & Young 22/23 Audit Results Report
- Appendix 4 - Legacy Mendip District Council's Letter of Representation