

# **Report**

Report to:	<b>Risk and Audit Scrutiny Committee</b>
Date of Meeting:	<b>31 October 2023</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Audited Annual Accounts 2022/2023</b>
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## **1. Purpose of Report**

1.1. The purpose of the report is to:

- ◆ advise members of the requirement to approve the Annual Accounts 2022/2023 for signature, both Council and related Charitable Trusts

## **2. Recommendation(s)**

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that it be noted that the South Lanarkshire Council Accounts 2022/2023 and the Charitable Trusts' Accounts have received a clean audit certificate;
- (2) that the audited South Lanarkshire Council Accounts 2022/2023 and the Charitable Trusts' Accounts be approved for signature;
- (3) that it be noted that the External Auditor's Report will be referred to South Lanarkshire Council for information; and
- (4) that it be noted that the Audited Accounts 2022/2023 will be available on the Council's website (section 3.7).

## **3. Background**

- 3.1. Following the publication of The Local Authority Accounts (Scotland) Regulations 2014, the members of the Committee are required to meet to consider approval of the Audited Accounts for signature.
- 3.2. The submission date for local government is generally set to be consistent with the date specified in accounts regulations by which a body is required to approve its audited annual accounts. The Coronavirus (Scotland) Act 2020 permitted a deferral in 2019/2020 and 2020/2021 (to 30 November), and a temporary amendment to the accounts' regulations allowed a submission date of 31 October for 2021/2022.
- 3.3. For 2022/2023, the submission date is returning to the pre-pandemic date of 30 September. However, the Auditor General and Accounts Commission require audit providers, (in the Council's case, Audit Scotland), to prioritise the delivery of high-quality audits and the wellbeing of audit staff over meeting the above dates. In this instance, the accounts have been made available at the earliest date possible to ensure that the audit quality was not compromised.
- 3.4. The members are also required to have regard to any report made or advice provided on the Annual Accounts by the External Auditor.

- 3.5. The External Auditor's Report was included as an earlier report to this meeting and will be referred to a meeting of South Lanarkshire Council for information.
- 3.6. Copies of the (unsigned) Audited Accounts 2022/2023, for both the Council and Related Charities, are being emailed to members of this Committee under separate cover. Copies of the Council's Audited Accounts, the Charitable Trusts' Audited Accounts and the External Auditor's Report, will be issued to all Elected Members for their information.
- 3.7. Once signed, the Audited Accounts will be available to the general public on the Council's website and we can arrange to send a copy out to anyone who requests them.

#### **4. Audited Accounts – South Lanarkshire Council**

- 4.1. As noted in section 3.1, members of the Committee are required to approve the Audited Accounts for signature. A copy of the Audited Accounts for 2022/2023 are being emailed to members of this Committee under separate cover.
- 4.2. As detailed in a previous report, the Council's External Auditors, Audit Scotland, have completed an audit which extends across the 2022/2023 Accounts and related matters.
- 4.3. The report notes that the External Auditor has provided a clear Audit Certificate with no qualifications on the Council's Accounts.
- 4.4. The External Auditor's Report also includes an agreed action plan at Appendix 1. Officers of the Council will work to ensure that these actions are implemented during 2022/2023.

#### **5. Audited Accounts – Charitable Trusts**

- 5.1. Members of the Committee are required to approve the Charitable Trusts' Audited Accounts for signature. A copy of the Audited Accounts for 2022/2023 have been emailed to members of this Committee under separate cover.
- 5.2. The External Auditor also reports on the 3 Charitable Trusts managed by the Council: South Lanarkshire Council Educational Trust, South Lanarkshire Council Charitable Trust and the East Kilbride Information Technology Trust.
- 5.3. The External Auditor's report shows a clear audit certificate for each Trust.

#### **6. Employee Implications**

- 6.1. There are no direct employee implications from this report.

#### **7. Financial Implications**

- 7.1. There are no direct financial implications arising from this report. The Annual Accounts received a clear audit certificate. The main changes to the Council's Accounts 2022/2023 are detailed in the External Auditor's report. All changes identified in the External Auditor's report have been made and the impact on the Council's outturn reflected in the Audited Accounts.

#### **8. Climate Change, Sustainability and Environmental Implications**

- 8.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

## **9. Other Implications**

- 9.1. The main risk associated with the Council and Charitable Annual Accounts is a qualified audit report. The risk has been assessed as low due to the detailed preparation in relation to the year end process, technical training undertaken by key finance staff and the roll out of this to Resource finance staff as appropriate. Finance and Resources work together to achieve key deadlines and actions set from timetables.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 10.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

12 October 2023

## **Link(s) to Council Values/Priorities/Outcomes**

- ◆ Accountable, effective, efficient and transparent

## **Previous References**

- ◆ None

## **List of Background Papers**

- ◆ South Lanarkshire Council Annual Accounts 2022/2023 and External Auditor's Report
- ◆ Charitable Trusts' Annual Accounts 2022/2023 and External Auditor's Report
- ◆ Financial Ledger 2022/2023 and associated working papers

## **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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