

STEVENAGE BOROUGH COUNCIL

**STATEMENT OF ACCOUNTS COMMITTEE  
MINUTES**

Date: Wednesday, 27 November 2024

Time: 6.00pm

Place: Council Chamber

**Present:** Councillors: Jeannette Thomas (Chair) (Chair), (Vice Chair), Myla Arceno, Leanne Brady, Akin Elekolusi and Simon Speller

**Start / End** Start Time: 6.00pm  
**Time:** End Time: 6.22pm

**1 APPOINTMENT OF PERSON TO PRESIDE**

It was **RESOLVED** that Councillor Jeannette Thomas be appointed to preside over the meeting which was held jointly with the Audit Committee.

**2 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors Sandra Barr, Kamal Choudhury and Robin Parker.

**3 2021/22 STATEMENT OF ACCOUNTS AND EXTERNAL AUDIT REPORT AND  
2022/23 STATEMENT OF ACCOUNTS AND EXTERNAL AUDIT REPORT**

The Chair invited the Assistant Director (Finance) to present their report.

The Assistant Director (Finance) presented an update on the financial accounts for 2021/22 and 2022/23, highlighting that due to a backlog in audits across the country, no audits had been undertaken for those years for Stevenage. The Committee heard that the government had introduced backstop arrangements requiring a disclaimer for any accounts up to 2022/23 that had not been audited.

The Assistant Director (Finance) advised the Committee that there were minimal changes since the previous reports presented to Members, with adjustments to asset valuations—one correction of a valuation error amounting to £1.9 million, and a reclassification change for 2022/23. Both adjustments had no impact on the general fund or HRA balances.

The Assistant Director (Finance) noted that for the 2023/24 accounts, they would provide more up-to-date information when presented to Members by February 2025.

The Chair thanked the Assistant Director (Finance) and invited Ernst & Young to present to the Committee.

Ernst & Young presented the completion report for the audit of Stevenage Borough

Council for the financial years 2021/22 and 2022/23. They noted that due to the ongoing audit backlog and the backstop arrangements in place, a disclaimer of opinion was anticipated for the 2022/23 audit, as the 2021/22 audit could not be completed within the set timeframe.

Ernst & Young outlined the work plan for the audits, which included confirming independence, setting materiality, issuing inquiry letters to management, and reviewing potential risks such as fraud, non-compliance with regulations, and unusual transactions. The audit process would also include reviewing the consistency of the accounts and performing value for money reporting, which had been previously presented to the committee.

Ernst & Young highlighted the differences in the audit opinion structure for those years, noting that the opinion would state that no opinion would be expressed on the financial statements due to the limitations imposed by the backstop dates and incomplete work.

At 18:10hrs the Statement of Accounts Committee **RESOLVED** to adjourn until the rise of the Audit Committee.

At 18:19hrs, following the conclusion of the Audit Committee meeting, the Members of the Statement of Accounts Committee returned.

The Assistant Director (Finance) reported that the Audit Committee had asked questions related to the disclaimer and the government back stop. They added that the Audit Committee had received detailed answers from Ernst & Young and had subsequently supported the recommendations contained in the report.

It was therefore **RESOLVED**:

- That the report be noted.
- That the 2021/2022 and 2022/23 Statement of Accounts for Stevenage BC be received, and the Chief Financial Officer be authorised in consultation with the Chair of Audit Committee/Statement of Accounts Committee to approve the accounts following the conclusion of the external audit.
- That the 2021/22 and 2022/23 Annual Governance Statements, which form part of the statement of accounts, be approved.
- That the Chief Financial Officer be authorised, after consultation with the Chair of Audit Committee, to sign the letters of representation required as part of the 2021/22 and 2022/23 external audit process.

#### 4 **URGENT PART I BUSINESS**

There was no Urgent Part I Business.

5 **EXCLUSION OF PRESS AND PUBLIC**

Not required.

6 **URGENT PART II BUSINESS**

There was no Urgent Part II Business.

**CHAIR**