

Date of issue: Friday, 15 March 2024

MEETING	AUDIT AND CORPORATE GOVERNANCE COMMITTEE
DATE AND TIME:	WEDNESDAY, 20TH MARCH, 2024 AT 6.45 PM
VENUE:	COUNCIL CHAMBER - OBSERVATORY HOUSE, 25 WINDSOR ROAD, SL1 2EL
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	SHABANA KAUSER 07821 811 259

SUPPLEMENTARY PAPERS

The following Papers have been added to the agenda for the above meeting:-

* Item 9 the Appendix was not available for publication with the rest of the agenda.

PART 1

<u>AGENDA ITEM</u>	<u>REPORT TITLE</u>	<u>PAGE</u>	<u>WARD</u>
9.	Reporting and Audit of Backlog Statements of Accounts 2019/20 to 2022/23 <ul style="list-style-type: none">Appendix	1 - 4	All

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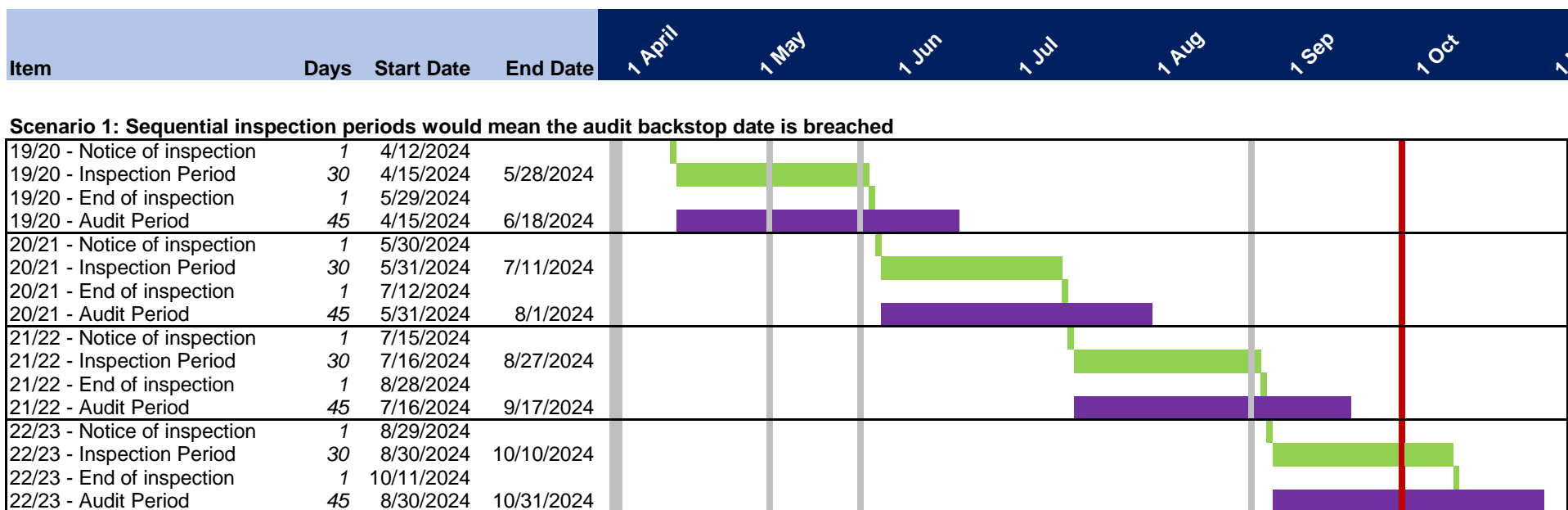
Appendix 1 - Proposed scenarios for clearing the backlog of audit accounts

The below scenarios provide the indicative timeline for presentation of backlog accounts to Committee, their publication, and compliance with public inspection requirements for each of the financial years 2019/20, 2020/21, 2021/22 and 2022/23. All of which must occur prior to the audit backstop date of 30/09/2024. As a note this is a SBC proposal and has not yet been agreed with Grant Thornton.

Scenario 1: Sequential inspection periods would mean the audit backstop date is breached.

This was derived utilising the assumption that the statutory requirement for the 30-day public inspection for each set of accounts must be held sequentially and without overlap. Thus working forwards from the first notice of inspection for the 19/20 accounts on 12/04/2024, without any overlapping inspection periods, the 22/23 accounts would be signed off on 31/10/2024 which is past the audit backstop date of 30/09/2024 and hence not feasible.

In addition, if the inspection period assumption was maintained but instead the timeline was derived working backwards from the audit backstop date of 30/09/2024 then the notice of inspection date for the 19/20 accounts would of have to have been 21/02/2024 which is also clearly not feasible.



Note: The ends of the inspection period and the audit period is after the audit backstop date. Publishing draft accounts for 2019/20 before the 15th April is not achievable.

Scenario 2: Overlapping public inspection periods achieve the backstop date

This was derived by utilising the assumption that the statutory requirement for the 30-day public inspection for each set of accounts can be held sequentially and with overlap (which has been confirmed in principle through discussions with external auditors). Thus working forwards from the first notice of inspection for the 19/20 accounts on 26/04/2024, the 22/23 accounts would be signed off by the audit backstop date of 30/09/2024.

However, there are a number of key assumptions for which this timeline relies upon as per below and whilst the timeline will require significant demand on resources to meet the audit backstop deadline, especially the 22/23 accounts will be particularly challenging to be through the inspection and audit process by the backstop date of 30/09/2024. Especially with the ambition for SBC to publish a full set of accounts for 22/23.

Item	Days	Start Date	End Date	1 April	1 May	1 Jun	1 Jul	1 Aug	1 Sep	1 Oct	1 Nov
Scenario 2: Overlapping public inspection periods achieve the backstop date											
19/20 - Notice of inspection	1	4/26/2024									
19/20 - Inspection Period	30	4/29/2024	6/11/2024		*						
19/20 - End of inspection	1	6/12/2024									
19/20 - Audit period	45	4/29/2024	7/2/2024								
20/21 - Notice of inspection	1	5/10/2024									
20/21 - Inspection Period	30	5/13/2024	6/24/2024		*						
20/21 - End of inspection	1	6/25/2024									
20/21 - Audit period	45	5/13/2024	7/15/2024								
21/22 - Notice of inspection	1	7/2/2024									
21/22 - Inspection Period	30	7/3/2024	8/13/2024				*				
21/22 - End of inspection	1	8/14/2024									
21/22 - Audit period	45	7/3/2024	9/4/2024								
22/23 - Notice of inspection	1	7/26/2024									
22/23 - Inspection Period	30	7/29/2024	9/9/2024					*			
22/23 - End of inspection	1	9/10/2024									
22/23 - Audit period	45	7/29/2024	9/30/2024								

Key:

- * Audit committee to consider each set of accounts at the beginning of each inspection period
- Green boxes represent the planned activities by Slough Borough Council
- Purple boxes represent requested audit dates for Grant Thornton to review SBC accounts
- Amber boxes represent particularly challenging target dates for SBC
- Grey boxes represent bank holidays
- Red line represents the audit backstop date

Assumptions:

- Public inspection periods for accounts can run concurrently.
- Auditors have the capacity to commence audit works prior to September, and work on the audit for the accounts of separate years concurrently.
- Audit committee to consider each set of accounts at the beginning of each inspection period.
- Auditors have been given a 45 working day window, commencing at the start of the public inspection period. This allows for 15 working days after the end of the inspection period to allow for responses to any objections raised.
- A streamlined set of accounts would be produced. This is not currently fully compliant with "proper practice" and the CIPFA code, however any deviations would be noted and explained in the accounts. Discussions are ongoing with DLUHC and FRC on the appropriateness of this approach.
- Sufficient staffing resources are available to support the production of each set of accounts.

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