

**GOVERNANCE AND AUDIT COMMITTEE:**

**21 March 2023**

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**DRAFT AUDITED STATEMENT OF ACCOUNTS, AUDIT OF ACCOUNTS  
REPORTS (ISA 260) AND ANNUAL GOVERNANCE STATEMENT FOR  
FINANCIAL YEAR 2021/22**

**REPORT OF CORPORATE DIRECTOR RESOURCES**

**AGENDA ITEM 6**

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**Reason for this Report**

1. The Governance and Audit Committee Terms of Reference sets out their responsibility for Financial Reporting:
  - To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
  - To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts

**Background**

2. Governance and Audit Committee received an electronic copy of the signed draft financial statements for comment on 19 July 2022. A response to all questions received was circulated to committee in accordance with the actions from that meeting. Following the completion of the audit, attached for 2021/22 are the draft:
  - Statement of Accounts for Cardiff Council and Cardiff Harbour Authority – **Appendix 1**
  - Annual Governance Statement (AGS) - **Appendix 2**. The changes following external audit review in relation to the AGS are minimal, compared to the draft considered by Committee at its meeting in July 2022.

The revised drafts include any agreed amendments arising from the audit and feedback from Governance and Audit Committee.

3. Also attached are the Audit of Accounts Reports (ISA 260) for 2021/22 in respect of:
  - Cardiff Council - **Appendix 3**
  - Cardiff Harbour Authority - **Appendix 4**
4. This report has been prepared to:

- allow Audit Wales to present their audit findings to those charged with governance in accordance with International Standard on Auditing 260 and
  - provide Governance and Audit Committee with the opportunity to consider the audit findings, the audit opinion, seek assurances on the delivery of the audit and any resulting adjustments made to the accounts and Annual Governance Statement.
5. The final Audit of Accounts Reports (ISA 260) along with the final audited financial statements and Annual Governance Statement are to be considered by Council at its meeting on 30 March 2023.

### **Legal Implications**

6. No direct legal implications arise from this report.

### **Financial Implications**

7. No direct financial implications arise from this report.

### **RECOMMENDATIONS**

8. That Governance and Audit Committee:
1. Note the 2021/22 Draft Audited Statement of Accounts for Cardiff Council and Cardiff Harbour Authority.
  2. Note the 2021/22 Draft Audit of Accounts Reports (ISA 260) for the Statement of Accounts for Cardiff Council and Cardiff Harbour Authority.
  3. Note the Draft 2021/22 Annual Governance Statement
  4. To ask questions of the auditor in respect to the appendices ahead of the request for Council approval on 30 March 2023.

### **CHRISTOPHER LEE**

Corporate Director Resources

21 March 2023

Appendix 1 – Draft Audited Statement of Accounts 2021/22 – Cardiff Council and Cardiff Harbour Authority.

Appendix 2 – Draft Annual Governance Statement 2021/22

Appendix 3 – Draft Audit of Accounts Report (ISA 260) 2021/22 – Cardiff Council

Appendix 4 – Draft Audit of Accounts Report (ISA 260) 2021/22 – Cardiff Harbour Authority