

**DRAFT AUDITED STATEMENT OF ACCOUNTS, AUDIT OF ACCOUNTS  
REPORTS (ISA 260) FOR FINANCIAL YEAR 2022/23**

**REPORT OF CORPORATE DIRECTOR RESOURCES**

**AGENDA ITEM: 5.1**

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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 11 July 2023. A response to all questions received was responded to. Following the completion of the audit, attached for 2022/23 are the Draft Audited Statement of Accounts for the County Council of the City and County of Cardiff (Cardiff Council) and Cardiff Harbour Authority – **Appendix 1**

The revised accounts include any agreed amendments arising from decisions and issues during the audit and feedback from Governance and Audit Committee.

3. Also attached are the Audit of Accounts Reports (ISA 260) for 2022/23 in respect of:
  - The County Council of the City and County of Cardiff (Cardiff Council) – **Appendix 2**
  - Cardiff Harbour Authority - **Appendix 3**
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 and opinion, the letter of representation and to seek assurances on the delivery of the audit and any resulting adjustments made to the accounts.

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 28 March 2024. Where any comments are deemed required to be made by Committee in respect to the financial statements and audit of accounts report, these will need to be submitted as an addendum for consideration as part of the agenda item at Council.
6. The Audit of Accounts Reports (ISA 260's) for 2022/23 include the following:
  - management and financial statement representations required to be made by the Council to its Auditor, including those on specific issues requested by the auditor.
  - the proposed audit report and audit opinion for 2022/23 and
  - summary of corrections to the accounts made following the audit. There are no uncorrected misstatements.
7. Some recommendations are included as part of the Audit of Accounts report. As stated in the ISA 260 report, Audit Wales intend to present recommendations arising from the audit to a future Governance and Audit Committee, This will also allow a management response in respect to the implications, cost, achievability and timing of agreed actions.

### **Legal Implications**

8. No direct legal implications arise from this report.

### **Financial Implications**

9. No direct financial implications arise from this report.

### **RECOMMENDATIONS**

10. That Governance and Audit Committee:
  1. Note the 2022/23 Audited Statement of Accounts for Cardiff Council and Cardiff Harbour Authority.
  2. Note the 2022/23 Audit of Accounts Reports (ISA 260) for the Statement of Accounts for Cardiff Council and Cardiff Harbour Authority and the contents of the Letters of Representation.
  3. To ask questions of the auditor in respect to the appendices ahead of the request for Council approval on 28 March 2024.

### **CHRISTOPHER LEE**

Corporate Director Resources  
26 March 2024

Appendix 1 – Audited Statement of Accounts 2022/23 – The County Council of the City and County of Cardiff and Cardiff Harbour Authority.

Appendix 2 – Audit of Accounts Report (ISA 260) 2022/23 – The County Council of the City and County of Cardiff

Appendix 3 – Audit of Accounts Report (ISA 260) 2022/23 – Cardiff Harbour Authority