

ROYAL BERKSHIRE FIRE AUTHORITY



COMMITTEE	AUDIT & GOVERNANCE COMMITTEE
DATE OF MEETING	27 NOVEMBER 2024
SUBJECT	EXTERNAL AUDITOR - EY UPDATE AND STATEMENT OF ACCOUNTS FOR 2021/22 and 2022/23
LEAD OFFICER	CONOR BYRNE, HEAD OF FINANCE AND PROCUREMENT
LEAD MEMBER	n/a
EXEMPT INFORMATION	n/a
ACTION	DECISION

1. **EXECUTIVE SUMMARY**

- 1.1 Members are asked to note EY's Completion Report before approving the Letters of Representation and the 2021/22 and 2022/23 Statements of Accounts.

2. **RECOMMENDATION**

The Committee is requested to

- 2.1 **NOTE** the Completion Report
- 2.2 **APPROVE** the Letters of Representation for 2021/22 and 2022/23
- 2.3 **APPROVE** the 2021/22 and 2022/23 Statements of Accounts

3. **REPORT**

- 3.1 EY has concluded its work in relation to the 2021/22 and 2022/23 Financial Statements. Results and findings are contained in its Completion Report for Those Charged with Governance (**Appendix A**).
- 3.2 Although the Authority produced draft Accounts for both years within the required regulatory timeframes, EY has lacked the audit resource necessary to perform the 2021/22 and 2022/23 audits for the Authority before the statutory backstop date of

13 December 2024. The Audit Partner has therefore had to issue disclaimed opinions on both sets of Accounts.

3.3 The Authority's Letters of Representation to EY for 2021/22 and 2022/23 are attached as **Appendices B** and **C**. These are used by the Auditor to help form an opinion on the Authority's financial position for each financial year.

3.4 The unaudited Financial Statements for 2021/22 and 2022/23, containing the Auditor's disclaimed opinion, are attached in **Appendices D** and **E**.

4. CONTRIBUTION TO STRATEGIC COMMITMENTS

4.1 Commitment 5 – Sustainability. We will ensure that we provide a financially sustainable and environmentally friendly service to our communities.

5. FINANCIAL IMPLICATIONS

5.1 The payments due to the auditors for work completed on the 2021/22 and 2022/23 Financial Statements will be determined by PSAA.

6. LEGAL IMPLICATIONS

6.1 Statutory Instrument (2024) No. 907 - "The Accounts and Audit (Amendment) Regulations 2024" (the SI) imposes a backstop date of 13 December 2024 by which date EY is required to issue its opinion on the 2021/22 and 2022/23 Financial Statements. EY has come to the conclusion that the time constraints imposed by the backstop date mean that they cannot complete all necessary procedures to obtain sufficient, appropriate audit evidence to support the opinion and fulfil all the objectives of all relevant ISAs (UK).

7. EQUALITY AND DIVERSITY IMPLICATIONS

7.1 None.

8. RISK IMPLICATIONS

8.1 EY's inability to audit the accounts for 2021/22 and 2022/23 has increased the financial risk to the Authority, given that financial systems and balances have not been tested and verified.

9. CONSISTENCY WITH DUTY TO COLLABORATE

9.1 EY were appointed by PSAA through a national procurement exercise.

10. PRINCIPAL CONSULTATION

10.1 The Chief Fire Officer has been consulted.

11. BACKGROUND PAPERS

11.1 None.

12. APPENDICES

12.1 Appendix A – EY Completion Report

12.2 Appendix B – 2021/22 Letter of Representation

12.3 Appendix C – 2022/23 Letter of Representation

12.4 Appendix D – 2021/22 Statement of Accounts

12.5 Appendix E – 2022/23 Statement of Accounts

13. CONTACT DETAILS

13.1 Conor Byrne - Head of Finance and Procurement
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