

Report of:	Meeting	Date	Item No.
Corporate Director Resources and s.151 Officer	Audit Committee	27 September 2022	

**STATEMENT OF ACCOUNTS 2021/22, CAPITAL FINANCING AND REVENUE
OUTTURN**

1. Purpose of Report

- 1.1 To approve the council's published Statement of Accounts and the final capital and revenue position for the financial year 2021/22.

2. Outcomes

- 2.1 Evidence that the council produces accounts in accordance with relevant standards and timetables, supported by comprehensive working papers and promotes external accountability.
- 2.2 Compliance with the requirements of the Accounts and Audit Regulations.

3. Recommendations

- 3.1 The Chair is requested to:

- i. Approve the Accounting Policies selected and applied by the Council, as required by International Accounting Standard No. 8: Accounting Policies, Changes in Accounting Estimates and Errors, which are set out as Note 2 to the Financial Statements attached;
- ii. Approve the Council's Statement of Accounts 2021/22, subject to audit;
- iii. Note the major variations in expenditure and income, the proposed slippage and the resulting impact on the level of the Council's reserves and balances at 31 March 2022; and
- iv. Ensure that the accounts are subject to robust member scrutiny/discussion.

4. Background

- 4.1** The Accounts and Audit Regulations 2015 (as amended in March 2021) require the council's responsible financial officer to certify that the accounts 'present a true and fair view of the financial position' for the 2021/22 financial year by the 31 July 2022 (the date has been extended from 31 May as a result of the COVID-19 pandemic). This deadline has been achieved with the draft accounts being agreed by the S.151 Officer and published on the council's website on 29 July 2022.
- 4.2** The council is then formally required to approve and publish the Statement of Accounts no later than 30 September 2022 (the date has been extended from 31 July as a result of the COVID-19 pandemic). Following approval, the Statement of Accounts must be signed and dated by the member presiding at the meeting at which approval is given.
- 4.3** Owing to the well documented and reported audit delays across the sector, the council's 2020/21 Statement of Accounts are still awaiting formal sign-off. Achievement of post-audit sign-off for the 2021/22 accounts will be similarly delayed and both are expected to be signed off by 31 March 2023 or earlier, meaning that the regulatory deadline will not be met for a second year running. There are no financial penalties for exceeding the regulatory timescales but there can be a reputational impact. However, given the current context nationally and the issues beyond the control of the council and the wider sector, this is not considered to be a material concern.
- 4.4** Training materials for the statement of accounts for the 2021/22 financial year were circulated to the Chair and the rest of the Committee in June. This included a recorded training session for members to view online at their convenience.

5. Key Issues and Proposals

- 5.1** An Executive Summary setting out the main details in a format that is straightforward and easy to understand is included in the Statement of Accounts as part of the Narrative Report. The Narrative Report also includes non-financial information as part of the 'Telling the Story' requirement in the Code of Practice. The Statement of Accounts is attached at Appendix 1 for consideration, although this is still subject to audit.
- 5.2** The Capital Financing Report is attached at Appendix 2 (Table 1) and a comparison of actual capital expenditure to the 2021/22 updated revised budget, illustrating the nature of the variance e.g. advance spend, over spend, under spend or slippage to future years can be seen at Appendix 2 (Table 2).
- 5.3** A report identifying major variations in revenue expenditure and income compared to the levels budgeted for the year is attached at Appendix 3a and the proposed revenue slippage into 2022/23 and future years is

included at Appendix 3b.

- 5.4** The resulting impact of these changes, such as additional expenditure or reduced income, on the level of the Council's reserves and balances at 31 March 2022 is shown at Appendix 4.

IMPLICATIONS	
Finance	There are no immediate financial implications arising from this report. The final outturn position will be incorporated within the Medium Term Financial Plan 2022/23 to 2026/27 which aims to provide detailed proposals for corporately managing the council's resources in the years ahead and is subject to continuous monitoring to ensure its effectiveness.
Legal	The approval of the recommendation will help ensure that the statutory requirements have been complied with.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x	risks/implications	✓ / x
community safety	x	asset management	x
equality and diversity	x	climate change	x
sustainability	x	ICT	x
health and safety	x	data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

Report Author	Telephone No.	Email	Date
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List of Background Papers:		
Name of Document	Date	Where available for inspection
None		

LIST OF APPENDICES

Appendix 1 – Statement of Accounts for the year ended 31 March 2022

Appendix 2 (Table 1) - Capital Financing Report

Appendix 2 (Table 2) - Comparison of Capital Expenditure to Budget

Appendix 3a – Major Revenue Variances

Appendix 3b – Revenue Budget Savings - Slippage into Future Years

Appendix 4a – Reserves and Balances Statement

Appendix 4b – Transfers to and from Reserves