
Audit & Governance

29th June 2022

Report of the Chief Finance Officer (S151 Officer)

Statement of Accounts 2021/22

Summary

1. The purpose of this report is to present for information the draft 2021/22 Statement of Accounts before they are audited.

Recommendation

2. Audit & Governance Committee note the draft pre-audit statement of accounts, for the financial year ended 31 March 2022.

Reason: To ensure that, in line with best practice, Members have had the opportunity to review the draft pre-audit Statement of Accounts.

Background

3. The Accounts and Audit (Coronavirus) (Amendment) Regulations 2021 amended the statutory deadlines to prepare draft Accounts by 31st May to 31st July. We are pleased to report that the draft Accounts were ready for inspection on 21st June, nearly 6 weeks ahead of the revised deadline.
4. The Council has to prepare an annual Statement of Accounts and present them to Audit & Governance Committee. Members are not being asked, at this stage, to approve these draft pre-audit accounts. The Chief Financial Officer has already signed the draft accounts ahead of the amended statutory deadline of 31st July and the audited accounts will be brought back to this Committee in November for approval on behalf of the Council.
5. Following the authorisation of the Chief Finance officer on 20th June, the accounts have been available for public inspection for a period of 30 working days from 21st June until 1st August. During this period local

government electors for the area are able to exercise their rights to question the auditor about the accounts. Mazars are the Council's external auditors and they expect to issue a report and opinion by the end of November.

6. The pre-audit Statement of Accounts 2021/22 has been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the UK and is produced in line with International Financial Reporting Standards (IFRS) which are the accounting standards used across the world making Local Authorities' Accounts more comparable with the private sector and worldwide.
7. The first section of the accounts (the Narrative Report) explains the main information included in the accounts, gives an overview of the Council and provides further information about the most significant matters reported in the accounts, along with an analysis of the pressures and risks that may impact on future financial performance.

Options

8. As this is a statutory requirement, no options are presented as part of this report.

Corporate Priorities

9. The Statement of Accounts provides a technical financial summary of the activities of the council and assists in providing the Council with a viable financial position on which to base future budget projections. It is a statutory requirement that the final audited accounts are approved by the Audit & Governance Committee after the audit by 30th September. In December 2021, the Department for Levelling-up, Housing and Communities (DLUHC) announced that for 2021/22 this deadline has been extended to 30th November.

Implications

10. The implications are
 - Financial – The Statement of Accounts show that for 2021/22 there is a provisional over spend of £2.6m. The full details of the outturn position were reported to Executive on 16th June 2022.

- Human Resources - there are no human resource implications to this report
- Equalities - there are no equality implications to this report
- Legal - there are no legal implications to this report
- Crime and Disorder - there are no crime and disorder implications to this report
- Information Technology - there are no information technology implications to this report
- Property - there are no property implications to this report
- Other - there are no other implications to this report

Risk Management

11. Areas of risk identified throughout the final accounts process are monitored and managed on an ongoing basis to ensure the statutory deadline is met.

Conclusion

12. The production and publication of the statement of accounts is a statutory requirement that provides members and interested parties with the chance to see the full financial position of the Council.
13. Bringing the statement of accounts to audit & governance provides an opportunity for Member led debate and compliance with defined best practice. It is an important part of member involvement in corporate governance that scrutiny is undertaken of the Council's accounts.

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Specialist Implications Officer(s) None

Wards Affected: *List wards or tick box to indicate all* **All**

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For further information please contact the author of this report

Annexes

A – Explanation of core statements

B – Draft Statement of Accounts 2021/22

Abbreviations:

IFRS – International Financial Reporting Standards

CIPFA – Chartered Institute of Public Finance and Accountancy

IAS - International Accounting Standard