

2.0 The Statement of Accounts

- 2.1 The Unaudited Statement of Accounts 2021/22 were signed off by the Council's S151 Officer in May 2022 – within the statutory deadline and before the start of the external audit review. The draft accounts have been available on-line since then.
- 2.2 The main highlights of the Statement of Accounts are to be found in the Narrative Report to the accounts. 2021/22 was again a challenging year and the world began to live with the implications of Covid-19, which had both operational service delivery and the associated financial consequences. However, with a small under spend and increasing some of our reserves, it should be considered to have been a successful year.
- 2.3 The detailed management accounts were included in the outturn report presented to the Cabinet on the 28 June 2022. This report provides a summary of the year-end position for the General Fund, the Housing Revenue Account, and the Capital Programme. It provides commentary on any variances against budget in excess of £20k.
- 2.4 As can be seen from the reserve balances held, the Council remains in a strong position to deal with the funding challenges it faces. A strong culture of financial awareness is now embedded throughout the Council. This is enhanced with regular budget monitoring reports produced for Leadership Team meetings, meetings of the Cabinet and the Policy Development Groups.
- 2.5 This Council continues to take proactive steps to strategically plan for further reductions in Central Government financial support. The Cabinet have ongoing dialogue with Leadership Team, who in turn have discussions with Corporate Managers and service managers to discuss funding reduction scenarios in order to balance our ongoing expenditure needs associated with the current Corporate Plan.

3.0 Changes to the Accounts

- 3.1 Grant Thornton presented the initial findings on the 2021/22 Accounts to Audit Committee in January 2023. However, at the time the 3Rivers accounts audit had not completed therefore the Group elements of the accounts had not be audited. Following the completion of the 3Rivers external audit, Grant Thornton have completed their audit of the 2021/22 accounts.
- 3.2 There have been some changes to the draft account previously reviewed by the Committee in August 2022. Some are minor corrections to narrative, grammar

and improving the explanation of the values within the Accounts. However, there has been a notable change relating to Pension Valuations, and a review of the implications for the council following the qualification of 3Rivers 2021/22 accounts. Both are explained in the Post Balance Sheet Note (Note 59), but in summary are:

- Revisions to the Pension valuation arising from new data becoming available following the latest tri-annual valuation on 31 March 2023. These changes have been included within the 2021/22 accounts as the audit had not completed before they became available. Normally, the new valuations would have simply fed into the next available set of accounts.
- Following the qualification of 3Rivers 2021/22 Accounts, further consideration has been given to whether the Council as a single entity and as a group (including 3Rivers) remains going concern. Furthermore, that the valuations and impairment remained appropriate at the time of the balance sheet date. Both the Council and Grant Thornton have concluded both remain appropriate based on the information available at that time.

3.3 These alterations have no impact on the reported Outturn position or the Councils Usable Reserves.

3.4 Members will note the additional fees incurred following the extended audit timeframe. (see separate agenda item)

4.0 The Audit

4.1 Our external auditors, Grant Thornton, began their audit in September 2022. The audit is now complete and an unqualified opinion has been given. Grant Thornton's report is included separately on the agenda for this meeting and will cover in detail their findings.

4.2 In addition Grant Thornton reviewed our arrangements to secure economy, efficiency and effectiveness in our use of resources and reported their findings to the Audit Committee in March 2023.

5.0 The Council's Governance Arrangements

5.1 The Annual Governance Statement (AGS) was reviewed taking into account external and internal audit reviews and feedback from the Senior Leadership Team. It includes a review of the effectiveness of the Council's governance arrangements and concludes that the existing arrangements remain fit for purposes and help provide reasonable assurance of their effectiveness.

5.2 The committee approved the AGS at its January 2023 meeting, however, signing the document sits alongside the finalisation of the Statement of Accounts. Therefore, the Chief Executive and Leader of the Council will be asked to re-sign once the Accounts are signed.

6.0 Conclusion

6.1 Members are asked to approve the 2021/22 Statement of Accounts which reflect a true and fair view of the financial position of the Council as at 31 March 2022. The Committee is also required to formally approve and re-sign the Annual Governance Statement and the Letter of Representation.

Financial Implications

Good financial management and administration underpins the entire document.

Legal Implications

It is a statutory requirement to follow the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) when producing the Statement of Accounts.

Risk Assessment

The Section 151 Officer is responsible for the administration of the financial affairs of the Council. Adhering to the Code mitigates the risk of receiving a qualified set of accounts. The Finance Team has also reviewed its overall calculations/workings against the CIPFA published Disclosure Checklist for 2021/22 and entered into detailed discussions with the appointed Audit Manager prior to and during the completion of the accounts.

Impact on Climate Change

No impacts identified for this report.

Equalities Impact Assessment

No equality issues identified with this report.

Relationship to Corporate Plan

The financial resources of the Council impact directly on its ability to deliver the Corporate Plan. The Statement of Accounts indicates how the Council's resources have been used to support the delivery of budgetary decisions.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 10/10/2023

Statutory Officer: Maria De Leburne
Agreed on behalf of the Monitoring Officer
Date: 10/10/2023

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 10/10/2023

Performance and risk: Dr Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 12/10/2023

Cabinet member notified: (yes)

Section 4 - Contact Details and Background Papers

Contact: Paul Deal, Corporate Manager for Finance, Property and Climate Change
Email: Pdeal@middevon.gov.uk
Telephone: 01884 23(4254)

Background papers: 2021/22 Draft Statement of Accounts
2021/22 Draft Annual Governance Statement
2021/22 Draft Letter of Representation
2021/22 Draft Audit Findings Report (Grant Thornton)