



**Report Reference Number: A/22/9**

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**To: Audit and Governance Committee**  
**Date: 26 October 2022**  
**Author: Christopher Chapman, Accountant**  
**Lead Officer: Karen Iveson, Chief Finance Officer**  
**Executive Member: Cllr Cliff Lunn, Executive Lead Member for Finance and Resources**

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**Title: Statement of Accounts 2021/22**

**Summary:** The purpose of this report is to enable Councillors to undertake an examination of the Council's financial accounts for the financial year 2021/22 and seek approval of them.

**Recommendations:**

**Dependent upon whether the audit is concluded by the audit date, the recommendations are as follows :-**

- a. **If audit is complete that Members approve the Statement of Accounts 2021/22.**
- b. **If the audit is not complete, that Members approve delegation to the Chair of the Committee and the S151 Officer to sign off the Statement of Accounts when the audit is completed, subject to there being no material changes.**
- c. **To authorise the Chief Finance Officer to sign the letter of representation as set out in draft in the External Auditors report subject to the completion of the audit.**

## **1. Introduction and background**

- 1.1 The Accounts and Audit Regulations 2015 require members to approve the Council's audited statutory accounts by 31<sup>st</sup> July 2022 following the financial year-end. However, due to the effects of the Covid-19 pandemic and continued pressure on audit firms, this deadline was extended until 30<sup>th</sup> November 2022 for the 2021/22 Accounts.
- 1.2 At the time of writing this report there is still an element of audit work outstanding, which may potentially lead to changes to the Final Statement of Accounts, as detailed in the report below. The Committee will be updated should any changes be necessary.

1.3 The accounts have been produced under the requirements of International Financial Reporting Standards (IFRS).

## **2. The Report**

2.1 The Statement of Accounts represents the culmination of the formal financial reporting obligations placed upon the Council and the content of the Accounts presented is largely prescribed by the statutory and professional guidance.

2.2 The Council's Statement of Accounts for 2021/22 is attached for approval at Appendix A. The Accounts have been prepared in accordance with the code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the code) published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

2.3 It is important that the Council has sound financial, governance and resource management arrangements in place to ensure that the resources are available and used to support the Council's priorities, improve services and secure value for money for our citizens.

2.4 Specifically in respect of financial statements, members are expected to "exercise collective responsibility for, and prioritise, financial reporting and demonstrate robust challenge and scrutiny."

2.5 To assist Councillors in this regard, an explanatory paper is attached at Appendix B.

2.6 The Statement of Accounts also contains a Narrative Statement which highlights the key financial issues during 2021/22 and considers these in the context of the Council's future financial challenges and objectives.

2.7 Councillors are asked to consider the Statement of Accounts in detail along with the supporting notes, and either raise issues with the Chief Finance Officer prior to the meeting so that a response can be prepared or discuss any such matters as necessary and appropriate at the meeting of the committee.

2.8 The draft accounts were made available for public inspection from 28<sup>th</sup> July to 9<sup>th</sup> September. As per 2020/21, this is a departure from previous normal practice in which the unaudited accounts are published on 31 May each year. The Department of Levelling Up, Housing and Communities passed new legislation, Accounts and Audit Amendment Regulations 2021, which relate to financial years ending 31 March 2021 and 31 March 2022. The amendment stipulates that unaudited accounts must be published by 31 July in each of these years but local authorities can choose to publish earlier. Selby District Council elected to publish the unaudited accounts on 26<sup>th</sup> July 2022. The auditor was available to answer queries regarding the accounts during this period.

2.9 At the time of writing, some elements of the audit remain outstanding. The elements outstanding relate to the current valuation of Selby

Business Centre, Council Disclosures around Capital Commitments under Contract and a number of other areas of minor testing, these are detailed in section 2 of the Auditors report in this Agenda. The receipt of the letter of assurance from the North Yorkshire Pension Fund Auditors is also still awaited, and is anticipated in November following completion of the Audit of the Fund.

- 2.10 As such, as some elements of the audit are ongoing it is proposed that Members approve delegation to the Chair of the Committee and the S151 Officer to sign off the Statement of Accounts and the Letter of Representation, upon completion of these outstanding elements, barring no material changes to the accounts.

### **3. Legal/Financial Controls and other Policy matters**

#### **3.1 Legal Issues**

None as a consequence of this report.

#### **3.2 Financial Issues**

The financial implications are as given in the report.

### **4. Conclusion**

- 4.1 Production of the Annual Statement of Accounts is a statutory requirement. The Statement of Accounts is the financial expression of the Council's overall worth and financial standing.

### **5. Background Documents**

- 5.1 2021/22 closedown working papers.

#### ***Contact Officer:***

Christopher Chapman – Accountant

#### **Appendices:**

Appendix A: 2021/22 Statement of Accounts  
Appendix B: Explanatory paper to the Accounts