

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – WEDNESDAY, 25
SEPTEMBER 2024



Title of Report	STATEMENT OF ACCOUNTS 2021/22	
Presented by	Paul Stone Strategic Director of Resources	
Background Papers	<u>Notice in Delay in the Publication and Audit of Accounts 2021/22</u> <u>Notice in Delay in Publishing the Audited Accounts 2021-22</u> <u>Accounting Policies and Materiality 2021/22 – Audit and Governance Committee 20 April 2022</u> <u>Statement of Accounts Update Report – Audit and Governance Committee 27 July 2022</u> <u>Statement of Accounts Update Report – Audit and Governance Committee 26 October 2022</u>	Public Report: Yes
Financial Implications	There are no financial implications as a direct result of this report.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There are no legal implications as a direct result of this report.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	There are no staffing or corporate implications as a direct result of this report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	For the Committee to consider and approve the Statement of Accounts 2021/22.	
Recommendations	THAT THE COMMITTEE:	

	<ol style="list-style-type: none"> 1. APPROVES THE ANNUAL STATEMENT OF ACCOUNTS 2021/22. 2. AUTHORISES THE CHAIR OF THE COMMITTEE TO SIGN THE STATEMENT OF ACCOUNTS 2021/22. 3. DELEGATES AUTHORITY TO THE COMMITTEE CHAIR AND THE SECTION 151 OFFICER TO APPROVE ANY MINOR NON-MATERIAL AMENDMENTS, AS AGREED WITH THE EXTERNAL AUDITORS, TO THE STATEMENT OF ACCOUNTS 2021/22 ON BEHALF OF THE COMMITTEE.
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1.0 BACKGROUND

- 1.1 As reported to the Audit and Governance Committee in July 2022, the publication of the draft 2021/22 Statement of Accounts was delayed and the statutory deadline was missed. A notice was placed on the Council’s website to this effect.
- 1.2 The draft accounts 2021/22 Statement of Accounts were published on the Council’s website on the 26 June 2024 and the statutory public consultation was undertaken from 4 July to the 14 August 2024. No objections were received.

2.0 STATEMENT OF ACCOUNTS 2021/22

- 2.1 The Statement of Accounts should provide electors, those subject to locally levied taxes and charges, members of the authority, employees, other stakeholders and interested parties with clear and comparable information about the authority’s finances.
- 2.2 The accounts of Local Authorities in the United Kingdom are required to be developed in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice - Local Authority Accounting in the United Kingdom (“the Code”). The Code must be followed to meet the requirements of the Accounts and Audit Regulations to ‘present a true and fair view’ of the financial position of the Council.
- 2.3 The Code is based on Internal Financing Reporting Standards (IFRS), amended as necessary in respect of legislation governing local authorities.
- 2.4 The Council has prepared the 2021/22 Statement of Accounts in line with the Code and therefore IFRS and its local accounting policies that were agreed by this committee at its April 2022 meeting.
- 2.5 The format of the accounts is effectively prescribed in the Code and is set out as follows:

Section of Statements	Purpose
Narrative	To provide the reader with an understanding of North West Leicestershire as a place, the Council and its priorities, the wider economic background and the non-financial and financial performance of the council in 2021/22.

Statement of Responsibilities	Shows the responsibilities of the Council and Chief Financial Officer for these accounts
Comprehensive Income & Expenditure Statement (CIES)	Presents the cost of each function and how they were financed. This is a core statement.
Movement in Reserves Statement	Presents the movement in reserves during the year between usable and unusable reserves, and the actual change to the reserves after all adjustments. This is a core statement.
Balance Sheet	Presents all of the Council's assets and liabilities at the year end, both long and short term. This is a core statement.
Cash Flow Statement	Sets out the flow of cash into and out of the Council. This is a core statement.
Notes to the Financial Statements	These explain in more detail the makeup of the various amounts included in the core statements
Accounting Policies	Technical explanation of main policies and assumptions used in preparing the accounts.
HRA (Housing Revenue Account) Income & Expenditure Account	This statement shows income and expenditure regarding Council dwellings.
Collection Fund	Sets out the transactions relating to the collection and distribution of Council Tax and National Non-Domestic Rates (NDR), or Business Rates as they are more commonly known.

2.6 The Statements must comply with the Code so that comparisons can be made across different authorities and for this reason it is essential that authorities define individual costs in line with the Service Reporting Code of Practice (SERCOP). There should also be good notes and explanations to the accounts to aid understanding and, although by nature a technical document, the notes should be concise and understandable.

2.7 The Statement of Accounts are documented in Appendix A for approval.

Policies and other considerations, as appropriate	
Council Priorities:	A Well-Run Council
Policy Considerations:	None
Safeguarding:	None
Equalities/Diversity:	None
Customer Impact:	None
Economic and Social Impact:	None
Environment, Climate Change and Zero Carbon	None
Consultation/Community/Tenant Engagement:	None

Risks:	The Council's governance arrangements are a fundamental part of the Authority's management of risk and contribute towards good corporate governance.
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