



**22 March 2023**

**Agenda Item: 6**

**REPORT OF THE SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE  
AND IMPROVEMENT**

**STATEMENT OF ACCOUNTS 2021/22**

**Purpose of the Report**

1. To note the external auditors' Audit Findings Report 2021/22.

**Statement of Accounts 2021/22**

2. The deadline for publishing the draft Statement of Accounts 2021/22 was 31 July 2022. Nottinghamshire County Council's and Nottinghamshire Pension Fund's Statement of Accounts 2021/22 were published onto the Council's website on 5 July 2022, well ahead of the deadline.
3. As reported to Governance and Ethics Committee in July 2022, issues surrounding the accounting treatment of infrastructure assets led to the delay in signing off a number of Local Authority accounts in 2021/22. Following consultation with Local Authorities, CIPFA have published an amendment to the Local Authority Accounting Code of Practice which provides a short-term solution to this issue which will apply until the end of the 2024/25 financial reporting year. Work will continue to agree a longer-term solution which, it is anticipated, will be in place from 2025/26 onwards.
4. The infrastructure asset issue, alongside more widely acknowledged difficulties that are being experienced by the Local Authority audit sector, resulted in the Authority's Statement of Accounts not being able to be approved by the target date of 30 November 2022.
5. The issues outlined above resulted in the 2021/22 audit not being finalised by the target date of 30 November 2022. At the Governance and Ethics Committee meeting held on 30 November 2022 approval was delegated to the Section 151 Officer, in consultation with the Chair of Governance and Ethics Committee, to approve the Statement of Accounts 2021/22 on completion of all external audit work. The Statement of Accounts have now been approved and published on the Council's website. The Chairman and S151 Officer have signed the Statement of Approval and the letters of representation.

**Audit Results**

6. The statutory audit of the Statement of Accounts 2021/22 has been undertaken by Grant Thornton. The Audit Findings Reports 2021/22 for both the County Council and the Pension Fund have been completed and can be seen in the appendices to this report. It is expected

that Andrew Smith (Director – Grant Thornton) will talk through the report and take any questions at this meeting.

7. The statement of accounts is one of the key documents prepared by the Council to demonstrate good governance and value for money. This provides information about the County Council's financial position, performance and cash flows and consequently, shows the results of the stewardship and accountability of elected members and management for the resources entrusted to them, which is of paramount importance in the use of public funds.

### **Statutory and Policy Implications**

8. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **RECOMMENDATION/S**

9. That the Committee notes the external auditors' Audit Findings Report 2021/22.

**Nigel Stevenson**

**Service Director – Finance, Infrastructure and Improvement**

**For any enquiries about this report please contact:**

Nigel Stevenson

Service Director (Finance, Infrastructure and Improvement)

### **Constitutional Comments (KK 28/02/2023)**

10. The recommendations fall within the delegation to Governance and Ethics Committee under its terms of reference.

### **Background Papers**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None

### **Electoral Division(s) and Member(s) Affected**

All