

9 April 2024

<b>Report of</b>	<b>The Section 151 Officer</b>	<b>Author</b>	<b>Chris Hartgrove</b> (chris.hartgrove@colchester.gov.uk)
<b>Title</b>	<b>Draft Statement of Accounts 2022/23</b>		
<b>Wards affected</b>	Not applicable		

## 1. Executive Summary

- 1.1 The Joint Finance Director (Section 151 Officer) is responsible for the preparation of the Council's annual Statement of Accounts. The Statements are prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 ('the Code') and are based on International Financial Reporting Standards (IFRSs). The Statements are also required to give a "true and fair view" of the Council's financial position as of 31st March 2023, and the income and expenditure for the year then ended.
- 1.2 The Council is required to make the accounting records and related documents available for inspection each year in the exercise of the rights of interested persons under Section 26 of the Local Audit & Accountability Act 2014 and Section 15 of the Accounts & Audit Regulations 2015.
- 1.3 The inspection period for the financial year ending 31st March 2023 was due to commence on 1st June 2023 and run for a period of 30 working days from this date. However, it has not been possible for the Council to commence the inspection period as a shortfall in technical capacity within the Finance function has lengthened the Accounts preparation process and, in line with most councils nationally, Colchester City Council continues to experience major audit delays and the Statement of Accounts for 2020/21 and 2021/22 have not yet been finalised.
- 1.4 However, in the continued interests of transparency, as with the draft Statement of Accounts 2021/22, the Council published an uncertified draft Statement of Accounts 2022/23 on the Council website on 26th February 2024 (**Appendix A**), which the Committee are asked to note.
- 1.5 The audited Statement of Accounts for 2022/23 will be presented to the Committee at a future meeting (date to be determined). This will provide an opportunity for the Committee to further scrutinise, and approve, the Statements prior to the issue of the Committee Chair's signature.

## 2. Recommended Decision

- 2.1 To note the draft Statement of Accounts 2022/23 (**Appendix A**) prior to the completion of the external audit process.

## 3. Reason for Recommended Decision

- 3.1 To enable the robust scrutiny the Council's annual Statement of Accounts 2022/23 in the interests of transparency and in accordance with generally accepted good practice.

#### **4. Alternative Options**

4.1 None.

#### **5. Equality, Diversity and Human Rights implications**

5.1 None.

#### **6. Standard References**

6.1 The local government financial reporting and audit regime exists within in a tightly regulated framework. For the accounting period 2022/23, this includes the:

- Local Government Act 1972 (Section 151)
- Local Government Act 2003 (Section 21(2))
- Local Audit and Accountability Act 2014 (various); and
- Accounts & Audit Regulations 2015.

6.2 The Statement of Accounts has been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 ('the Code').

6.3 There are several areas of risk embedded throughout the Statement of Accounts, which have been individually addressed and treated in accordance with guidance and professional judgement.

#### **7. Environmental and Sustainability Implications**

7.1 None.

#### **8. Appendices**

8.1 Colchester City Council's *draft* Statement of Accounts 2022/23 (published 26th February 2024) – **Appendix A**