

MEETING: GOVERNANCE AND AUDIT COMMITTEE

DATE: 8 SEPTEMBER 2022

TITLE: STATEMENT OF ACCOUNTS 2021/22

PURPOSE / RECOMMENDATION: TO RECEIVE THE STATUTORY STATEMENT OF ACCOUNTS (PRE-AUDIT DRAFT) FOR INFORMATION

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CABINET MEMBER: COUNCILLOR IOAN THOMAS

1. INTRODUCTION

- 1.1 This report introduces the statutory Statement of Accounts for the 2021/22 financial year, which provides details of the Council's financial activities during the year which ended on 31 March 2022.
- 1.2 The following document is the draft Statement of Accounts in its statutory format, 88 pages long in each language.
- 1.3 The draft accounts presented here are currently subject to audit and a final version following audit will be submitted for approval at the 17 November 2022 meeting of the Governance and Audit Committee.
- 1.4 The basic form and content of these Statements is prescribed under the Accounts and Audit (Wales) Regulations 2014 (as amended), as well as other regulations and standards. Requirements under the Code of Practice on Local Authority Accounting are based on IFRS (International Financial Reporting Standards) and apply to the Council's Statement of Accounts for 2021/22. As the regulations require statements in a standard format, comparisons with other bodies' accounts is facilitated, but the statements have now become technically complex and difficult to understand.
- 1.5 A simple summary "outturn" report relating to the 2021/22 accounts was presented to the Cabinet meeting on 14 June 2022 and to the Governance and Audit Committee on 30 June 2022. That report was more useful for internal / management purposes, while the Statement of Accounts is more suited for external / governance purposes.

2. ACTION REQUIRED

- 2.1 The Governance and Audit Committee are “those charged with governance” on behalf of the Council. However, the Statutory Finance Officer (the Head of Finance in Gwynedd Council) is responsible for approving and certifying the draft accounts.
- 2.2 There is no statutory requirement for elected members to approve the Council’s draft Statement of Accounts, but we consider that the submission of the draft statement to the Governance and Audit Committee for information is good practice to follow.
- 2.3 The Governance and Audit Committee members will need to approve the final version in November following receipt of the Audit Wales report. The submission of the draft now is an opportunity for committee members to consider the content and ask financial officers about the content. This is an opportunity for members to equip themselves with relevant information to consider relevant risks, and other issues that will be subject to audit, in their context.

3. SUBSEQUENT STEPS

- 3.1 Further to certification by the Head of Finance and consideration by the Governance and Audit Committee, the 2021/22 Statement of Accounts, with all other relevant statements are the subject of the annual audit process by Audit Wales, Gwynedd Council’s external auditors, who were appointed by the Auditor General for Wales.
- 3.2 As noted in paragraph 1.3 (above), the final (audited) version of the Council’s 2021/22 Statement of Accounts will be submitted to the meeting of the Governance and Audit Committee on 17 November 2022 FOR APPROVAL, along with a report on behalf of the Auditor General for Wales.
- 3.3 Subsequently, it is the Finance Department’s intention to provide a link to the final Statement to all elected members and all chief officers of the Council, as well as to other interested parties.

4. RECOMMENDATION

- 4.1 The Governance and Audit Committee is asked to receive and note the Council’s Statement of Accounts (subject to audit) for 2021/22.