

Report for: Corporate Committee 15th November 2022

Title: Draft Statement of Accounts 2021/22

Report authorised by: Jon Warlow, Director of Finance (S151 Officer)

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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non Key decision

1. Describe the issue under consideration

- 1.1. This report updates the Committee on the Council's Draft Statement of Accounts 2021/22.

2. Cabinet Member Introduction

- 2.1. Not applicable.

3. Recommendations

- 3.1. That the Committee notes the contents of this report, and the appended Draft Statement of Accounts.

4. Reason for Decision

- 4.1. None.

5. Other options considered

- 5.1. None.

6. Background information

- 6.1. The preparation and audit of the annual statement of accounts is a statutory requirement of the Accounts and Audit (England) Regulations 2015. Usual timescales are:
 - The draft accounts must be prepared and certified by 31 May by the Section 151 Officer that they represent a true and fair view of the financial position of the Council.

- Audits should then be concluded by 31 July and audited accounts published by this date, or, if audits have not concluded audited accounts should be published as soon as possible after this date.
- 6.2. In response to the pandemic, these timescales were relaxed. In 2021/22, the draft accounts deadline of 31st May was pushed back to 31st July, and the audit completion deadline of 31st July deadline was pushed back to 30th September.
 - 6.3. The Council did not meet the deadline of 31st July due to knock on effect of delays in the 2020/21 statement of accounts audit. The notification of delay and reasons for the delay were published as required under the regulation.
 - 6.4. The Council's 2021/22 Draft Statement of Accounts were subsequently certified and published on the 30th September 2022 in accordance with the regulations.
 - 6.5. The content of the Statement of Accounts is largely determined by statutory requirements and mandatory professional standards as set out within the "Code of Practice on Financial Reporting" published by the Chartered Institute of Public Finance and Accountancy (CIPFA). The CIPFA Code of Practice is based on International Financial Reporting Standards (IFRS), however adopts these in some cases to tailor their application to Local Government Finance.
 - 6.6. The 2021/22 draft statement of accounts highlights the Council performances and achievements during the year. General fund balances (including schools) were £119.0m at 31 March 2022 (£132.2m as at 31 March 2021). The Housing Revenue Account (HRA) balance was increased to circa £20.8m from £14.8m in 2020/21. See note 11, page 50 of the appendix.
 - 6.7. The decrease in the balances is partly attributed to the drawdown of the Collection fund smoothing reserve to offset the expected drop in income from the Council's collection funds during the year, and drawdown of the transformation reserve.
 - 6.8. The Council's balance sheet increased by £327m in 2021/22. This is largely driven by valuation increases in property plant & equipment and net decrease in pension liabilities.
 - 6.9. There was no material transaction in the year that required separate disclosure in the accounts/group accounts.
 - 6.10. The draft statement of accounts highlights, on pages 5-15 - narrative report, the GF and HRA reserve positions at the end of March 2021/22.

6.11. The Public Inspection period commenced from Monday 3 October 2022. It will end on Friday 11 November 2022. During this period, any person(s) may inspect the accounts of the London Borough of Haringey for the year ended 31 March 2022.

Next Steps

- BDO LLP are required to produce an audit plan for the 2021/22 statement of accounts. Once agreed, the audit will subsequently commence. On completion, report will be brought to corporate committee on their findings and opinion on the accounts.

7. Contribution to Strategic Outcomes

7.1. None.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

8.1. As this report details a financial subject matter, finance comments are made throughout the content of this report.

Legal

8.2. The Statement of Accounts has been produced in accordance with the Accounts and Audit (England) Regulations 2015 (as amended by the Accounts and Audit (Amendment) Regulations 2021). It is noted that the accounts are yet to be audited. Accordingly, at this stage, there are no legal implications arising from this report.

Equalities

8.3. There are no equalities issues arising from this report.

9. Use of Appendices

Appendix A – Draft Statement of Accounts 2021-22

Appendix B – Update on Draft Statement of Accounts 2020-21

10. Local Government (Access to Information) Act 1985

10.1. Not applicable