



<b>REPORT TO:</b>	Audit and Governance Committee
<b>DATE:</b>	29 <sup>th</sup> January 2024
<b>SUBJECT:</b>	Approval of Financial Statements 2021/22
<b>PURPOSE:</b>	To review and approve the audited Financial Statements 2021/22
<b>KEY DECISION:</b>	Y
<b>REPORT OF:</b>	Christine Marshall Deputy Chief Executive (Corporate Development) & S151
<b>REPORT AUTHOR:</b>	Nicole Hayes, Senior Finance Business Partner (Corporate) – PSPS Ltd
<b>WARD(S) AFFECTED:</b>	All
<b>EXEMPT REPORT?</b>	No

#### **SUMMARY**

The audited Financial Statements 2021/22 are required to be approved by the Committee and the S151 Officer prior to publishing on the Council's website, as per the Accounts and Audit Regulations.

#### **RECOMMENDATIONS**

It is recommended that Audit and Governance Committee:

- 1) Approve the Financial Statements 2021/22 (Appendix A).
- 2) Authorise the S151 Officer, in consultation with the chairman of the Committee, to approve any amendments if required, after the Committee date and prior to the official signing of the Accounts.
- 3) Approve the Annual Governance Statement 2021/22.
- 4) Notes the letter of representation to Mazars from the Council's Section 151 Officer attached at Appendix B.

#### **REASONS FOR RECOMMENDATIONS**

To update the Committee on the progress for publishing the Financial Statements 2021/22.

To meet corporate governance best practice and statutory reporting requirements.

## **OTHER OPTIONS CONSIDERED**

To approve the audited Financial Statements and the Annual Governance Statement.

Not to approve the Financial Statements.

There is a statutory requirement for the Financial Statements to be approved and published by 30 November 2022, or as soon as reasonably practicable after receipt of the auditors final findings (if later).

## **1. BACKGROUND**

- 1.1** The audited 2021/22 Financial Statements were approved by Audit and Governance 13 March 2023 with delegated authority given to the S151 Officer, in consultation with the Chairman of the Committee, to approve any amendments, if required, after the Committee date and prior to the official signing of the accounts.
- 1.2** The audited Financial Statements are presented to committee for their review and approval.
- 1.3** The Accounts and Audit Regulations 2015 have been amended by the Accounts and Audit Amendments Regulation 2022 (SI 2015/234) to extend the statutory deadline for approval of the Financial Statements to 30 November 2022 for all local authorities.

## **2. REPORT**

- 2.1** The external audit of the Financial Statements for the year ended 31 March 2022 is now substantially complete, and the Statements are attached as Appendix A. The Audit Results report from Mazars was presented to Audit and Governance committee 13 March 2023. Mazars will be presenting a follow up letter to this item which is later on this agenda.
- 2.2** From 1 April 2021, Boston Borough Council joined Public Sector Partnership Services Limited (PSPSL) for the shared provision of a number of back office services.
- 2.3** During the finalisation of the audit, it was identified the incorrect accounting treatment had been used to incorporate Boston's share of PSPSL within the Statements. This has since been adjusted and validated by the auditor.
- 2.4** In addition to this, the values and disclosure notes relating to the pension liability have been updated following the 2022 Lincolnshire Pension Fund Triennial Valuation.

### **Annual Governance Statement**

- 2.5** The Annual Governance Statement is required to be signed by the Leader of the Council and Chief Executive. This Committee is requested to approve the final statement to allow it to be published with the Financial Statements.

### **3. CONCLUSION**

**3.1** The external audit is drawing to a conclusion and the Financial Statements are therefore being presented to the Committee for review and approval.

#### **EXPECTED BENEFITS TO THE PARTNERSHIP**

Strengthened governance arrangements.

#### **IMPLICATIONS**

##### **SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP**

None.

##### **CORPORATE PRIORITIES**

None.

##### **STAFFING**

None.

##### **WORKFORCE CAPACITY IMPLICATIONS**

None.

##### **CONSTITUTIONAL AND LEGAL IMPLICATIONS**

The Accounts and Audit Regulations 2015 and the Accounts and Audit Amendments Regulation 2022 (SI 2015/234) define these arrangements.

##### **DATA PROTECTION**

None.

##### **FINANCIAL**

There are no financial implications as a result of this report. The audit of the Financial Statements provide external validation that the stewardship of public funds has been undertaken effectively, and that the statutory reporting requirements laid out in the accounting code of practice have been followed.

The Financial Statements presented in Appendix A are currently being subject to a final verification by the external auditors. Minor presentational issues may arise in this process and an approved final version will be submitted to the chair of the Committee for signature.

##### **RISK MANAGEMENT**

The Council's risk management arrangements are reflected in the Annual Governance Statement.

##### **STAKEHOLDER / CONSULTATION / TIMESCALES**

None.

**REPUTATION**

None.

**CONTRACTS**

None.

**CRIME AND DISORDER**

None.

**EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING**

None.

**HEALTH AND WELL BEING**

None.

**CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

None.

**LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER**

None.

**ACRONYMS**

CIPFA – Chartered Institute of Public Finance and Accounting

PSPSL – Public Sector Partnership Services Ltd

**APPENDICES**

Appendices are listed below and attached to the back of the report: -

*APPENDIX A**Audited Financial Statements 2021/22**APPENDIX B**Letter of Representation***BACKGROUND PAPERS**

Background papers used in the production of this report are listed below: -

**Document title****Where the document can be viewed**CIPFA Accounting Code of Practice  
2021/22 and supporting Guidance Notes

CIPFA public guidance document

**CHRONOLOGICAL HISTORY OF THIS REPORT**

None.

<b>REPORT APPROVAL</b>	
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