

# North Tyneside Council

## Report to Audit Committee

### Date: 26 July 2023

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Title: Annual Statement  
of Accounts 2021/22

**Report from:** Finance

**Responsible Officer:** Jon Ritchie, Director of Resources      **Tel: 643 5701**

**Wards affected:** All

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#### **PART 1**

##### **1.1 Executive summary:**

- 1.1.1 The purpose of this report is to provide the Audit Committee with an update on the progress for the completion of the 2021/22 Audited Annual Statement of Accounts in accordance with Section 9 (2) of the Accounts and Audit Regulations.
- 1.1.2 The draft Audit Results Report was shared with the Committee at its meeting held on 22 March 2023. The Executive Summary listed the outstanding items of audit work that still needed to be completed and it was noted at the meeting that the majority of the audit work had been completed or resolved by the time of the meeting. The only outstanding item was the receipt of the Pension Assurance Statement from the Tyne and Wear Pension Fund.
- 1.1.3 As shared with the Audit Committee at its last meeting on 31 May 2023, Ernst & Young (EY) the Authority's external auditors have confirmed that this has now been received from the Pension Fund. It was anticipated that the 2021/22 Audited Annual Statement of Accounts would be ready for sign-off in mid-June by external audit and the Authority. However, this has not been possible.
- 1.1.4 EY have advised the Authority that their pension experts are working through the triannual pension report and are awaiting the results of membership testing data from the Pension Fund. No date has been given from EY in relation to when the Authority can expect the outstanding work to be completed and when the Final Statement of Accounts will be ready for sign-off.

##### **1.2 Recommendation(s):**

The Audit Committee is recommended to:

- (a) Note the update provided in this report; and
- (b) Note that at the Committee's meeting held on 22 March 2023 delegation for the approval of the Audited Annual Statement of Accounts 2021/22 was given to the Director of Resources (Chief Finance Officer) in consultation with the Chair of the Audit Committee.

### **1.3 Forward plan:**

- 1.3.1 This report is contained in the forward plan of the Audit Committee.

### **1.4 Council plan, policy framework:**

- 1.4.1 The Annual Statement of Accounts covers all the service responsibilities as identified within the Council Plan.

### **1.5 Information**

#### **1.5.1 Background**

At its meeting on 31 May 2023 the Audit Committee received an update to the progress on publication and sign-off of the 2021/22 Audited Annual Statement of Accounts. As required by section 9 (2) of the Accounts and Audit Regulations 2015 and the Chartered Institute of Public Finance and Accountancy (CIPFA) Code that the Authority approves its Audited Annual Statement of Accounts 2021/22 for the financial year.

- 1.5.2 The Authority have been advised by EY that the work in relation to pensions is yet to be completed and as yet no date has been given as to when the Authority can expect the final sign-off to take place. It was hoped that the outstanding work would have been completed by mid-June and that the Audited Statement of Accounts for 2021/22 would be published soon after, however this has not been possible.

#### **Summary**

- 1.5.3 The Authority is currently waiting for EY to confirm when the 2021/22 Audited Annual Statement of Accounts will be ready for sign-off by external audit and the Authority.

### **1.6 Decision options:**

The options available are:

- (a) To accept the recommendations made in section 1.2.; or
- (b) To reject the recommendations made within this report.

### **1.7 Reasons for recommended option:**

The production of an Audited Annual Statement of Accounts is a requirement of the Accounts and Audit Regulations 2015.

## **1.8 Contact officers:**

Jon Ritchie, Director of Resources, Tel 643 5701  
Claire Emmerson, Head of Finance (Deputy S151 Officer), Tel 643 8109  
Peter Weir, Principal Accountant, Tel 643 8066

## **1.9 Background information:**

The following background papers and research reports have been used in the compilation of this report and are available for inspection at the offices of the author:

- (a) Accounts and Audit Regulations 2015 can be inspected at the Authority's offices.
- (b) Revenue budget 2021/22  
<https://my.northtyneside.gov.uk/category/455/council-finances>
- (c) Investment Plan 2021-26  
<https://democracy.northtyneside.gov.uk/ieListDocuments.aspx?CId=136&MId=597&Ver=4> (Agenda reports pack - Appendix D)
- (d) Reserves and Balances Policy  
<https://democracy.northtyneside.gov.uk/ieListDocuments.aspx?CId=136&MId=597&Ver=4> (Agenda reports pack - Appendix G)
- (e) CIPFA Code of Practice 2021/22  
Can be inspected at the Authority's offices.
- (f) Outturn Report 2021/22  
<https://democracy.northtyneside.gov.uk/ieListDocuments.aspx?CId=174&MId=815&Ver=4>

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

As this is a financial report, implications are covered in the body of the report itself.

### **2.2 Legal**

The Authority is required under the Accounts and Audit Regulations 2015 and the Chartered Institute of Public Finance and Accountancy's Code to prepare and approve its audited accounts for the financial year 2021/22 by 30 November 2022.

### **2.3 Consultation/community engagement**

In line with statutory requirements the draft Annual Statement of Accounts for the year ended 31 March 2022 was published by 4 July 2022 and was available on the Authority's website.

Members of the public were able to inspect the accounts under the statutory public inspection of accounts period from 11 July to 19 August 2022.

## **2.4 Human rights**

The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

## **2.5 Equalities and diversity**

There are no direct equalities and diversity implications arising from this report.

## **2.6 Risk management**

Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process.

## **2.7 Crime and disorder**

There are no direct crime and disorder implications arising from this report.

## **2.8 Environment and sustainability**

There are no direct environmental and sustainability implications arising from this report.