

# **Joint Independent Audit Committee**

13 June 2024

## **Update – Statement of Accounts 2023/24 and Annual Governance Statement**

**Status: to note**

### **Purpose of the report**

To update the committee on when the Draft Statement of Accounts for the extended financial year 1 April 2023 to 6<sup>th</sup> May 2024 along with the Annual Governance statement (AGS) will be available for review and published on the external website.

### **Background information**

The Annual Statement of Accounts is an important statutory document produced and published by the organisation every year.

It sets out the financial position and financial direction of travel, which is pertinent to future strategy and decision-making. The central role of the Statement of Accounts is to enhance the financial accountability to those external to the organisation.

The Local Government Act 2003 (section 21) enables the Secretary of State to issue regulation on the preparation and publication of accounts for local authorities, which is fulfilled by the Accounts and Audit Regulations 2015 (as amended).

The Accounts and Audit Regulations include a deadline for the council to prepare the Statement of Accounts and submit these to their external auditors for review. The usual deadline is 31 May. It is considered good practice for these unaudited accounts to be discussed at the Audit Committee, but there is no formal requirement for them to be approved by anyone other than the organisation's Responsible Financial Officer. The unaudited accounts are frequently referred to as the 'draft accounts' although in fact they need to be complete and, to the best of the organisation's knowledge, accurate before they are submitted for audit.

The Annual Governance Statement, is prepared at the same time as the unaudited accounts which, explains the processes and procedures in place to enable the organisation to carry out its functions effectively. It is produced following a review of the organisation's governance arrangements including an action plan to address any significant governance issues identified.

The unaudited accounts and the Annual Governance Statement are published on the organisation's website and so it is important that they are as complete and user-friendly as possible. The theory is that there should be few, if any, amendments required as part of the audit process.

This publication starts a formal 30-day period where local electors have the right to inspect the accounting records (including detailed transactional documentation) and to question the auditor or make formal objections on a matter of public interest or to report to the auditor if they consider that any item of account is unlawful. This effectively starts the external audit process.

### **Current position**

This year the Statement of Accounts 2023/24 is being completed for an extended financial year from 1 April 2023 to 6th May 2024 due to the formation of the York & North Yorkshire Combined Authority with the Mayor being elected into office from 7th May.

The extended financial year and the preparation of the unaudited accounts is included within the Statutory Instrument 2023 1432 which describes that section 3(3) of the Local Audit and Accountability 2014 is modified so the period ends on 6th May 2024.

The regulations 15(1)(a) of the Accounts and Audit Regulations 2015 are modified for the 30 day period for the public to have the right to inspect the unaudited accounts and associated records which will commence when the accounts are published on the website, along with the Annual Governance Statement.

### **Conclusion**

The unaudited Statement of Accounts and Annual Governance Statement will be presented to JIAC at the meeting in September 2024

Louise Branford-White  
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