

# Audit and Risk Committee

22 January 2024

<b>Report title</b>	Update on the 2022-2023 Statement of Accounts	
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<b>Originating service</b>	Strategic Finance	
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<b>Report to be/has been considered by</b>	None	

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## Recommendation for noting:

The Audit and Risk Committee is asked to note:

1. The updated Statement of Accounts.

## Recommendations for action or decision:

The Audit and Risk Committee is recommended to:

1. Approve the publication of the Final 2022-2023 Statement of Accounts following completion of the external audit.
2. Approve the delegation of authority to finalise and sign the Management Letter of Representation, on behalf of the Council, to the Section 151 Officer.
3. Approve the delegation of authority for any final amendments to the Statement of Accounts and the signing of the Final Statement of Accounts, once the external audit is complete, to the Chair of Audit and Risk Committee and the Section 151 Officer.

## **1.0 Purpose**

- 1.1 This report provides an update on progress to finalise the Statement of Accounts for 2022-2023. An updated Statement of Accounts is presented for noting and approval is sought for delegated authority for the signing of the Management Letter of Representation and Final Statement of Accounts.

## **2.0 Background**

- 2.1 The Draft Statement of Accounts for 2022-2023 were approved by the Director of Finance (Section 151 Officer) on the 20 September 2023 and reported to Audit and Risk Committee on 25 September 2023.
- 2.2 The audit by the Council's appointed external auditors, Grant Thornton, commenced in October 2023 for the Council's accounts. The audit of the West Midlands Pension Fund (WMPF) accounts, which form part of the Council's accounts, commenced in July 2023.

## **3.0 Progress and next steps**

- 3.1 During October 2023 training was provided to members of the Audit and Risk Committee on the Statement of Accounts.
- 3.2 The draft audit findings report for WMPF was presented to Pension Committee on 27 September 2023. The Final Audit Findings Report for the WMPF audit, presented earlier on this agenda, provides an update on the conclusion of the audit.
- 3.3 The Draft Audit Findings Report for the Council audit, presented earlier on this agenda, provides an update on the audit and concludes that it is anticipated that an unqualified opinion will be given on the accounts. This is subject to finalisation of the audit.
- 3.4 The Draft Statement of Accounts have been updated for agreed adjustments, as at the time of writing, and as reported in the Audit Findings Reports. A copy of the updated Statements is provided in Appendix 1.
- 3.5 The Council is required to confirm to the external auditor that it has complied with all relevant requirements and provided all relevant information to the auditor. This takes the form of a Management Letter of Representation as reported by Grant Thornton earlier on this agenda. Approval is sought in this report to delegate authority to the Section 151 officer to finalise and sign the Management Letter of Representation on behalf of the Council.
- 3.6 Following conclusion of the outstanding audit work, the Final Statement of Accounts will be prepared. In order to allow for timely approval of the final statements, approval is sought for delegated authority to the Chair of Audit and Risk Committee and the Section 151 Officer to approve any final amendments and sign the accounts.

## **4.0 Financial implications**

- 5.0** The statement, and the forthcoming audit of those statements by the external auditors, is an important element of the accountability and transparency of the Council's finances.

[CN/11012024/A]

## **6.0 Legal implications**

- 6.1 The Secretary of State makes the Accounts and Audit Regulations in exercise of powers conferred by the Local Audit and Accountability Act 2014. The Accounts and Audit Regulations 2015 require the 2022-2023 Statement of Accounts be produced in accordance with proper practice.

- 6.2 This is exemplified by the Code of Practice on Local Authority Accounting which is published by CIPFA.

Under the council's financial procedure rules, Audit and Risk Committee has responsibility for the approval of the financial statements. The statement of accounts for 2022/23 is compliant with these regulations.

[DP/11012024/A]

## **7.0 Equalities implications**

- 7.1 There are no equality implications arising directly from this report, there are a number of equalities implications from decisions made as set out in the statement and these have already been the subject of careful equality analysis.

## **8.0 All other Implications**

- 8.1 There are no other implications arising from this report.

## **9.0 Schedule of background papers**

- 9.1 Draft Statement of Accounts 2022-2023, Audit and Risk Committee, 25 September 2023.
- 9.2 Annual Report and Accounts 2022-2023, West Midlands Pension Fund Pension, Committee 27 September 2023

## **10.0 Appendices**

- 10.1 Appendix 1: Updated Draft Statement of Accounts 2022/2023.