

**8. STATEMENT OF ACCOUNTS 2021/22 (JW)**

**Purpose of the Report**

1. To seek approval for the audited Statement of Accounts for 2021/22.

**Recommendation**

2. **1. That the audited Statement of Accounts for 2021/22 as attached at Appendix 1 be approved.**

**How does this contribute to our policies and legal obligations?**

3. The Accounts and Audit Regulations 2015 Section 9 requires the Statement of Accounts to be approved by Members by 31<sup>st</sup> July of each year, however for financial years 2020/21 and 2021/22 this has been extended to 30 September. The draft accounts were authorised for issue by the Chief Finance Officer on the 17<sup>th</sup> June 2022, and were available on the website from that day.
4. However, it has not been possible for our External Auditors Mazars to meet the 30<sup>th</sup> September 2022 deadline and as such Mazars has issued an Audit Letter dated 23 September 2022 to the Authority confirming that the Auditor's Annual Report would not be issued by 30 September 2022. The accounts were audited in June 2022, with updates in September and December, and this report has been prepared on the strength of current audit findings and could be subject to further updates before final sign off from External Audit. Any changes will be tabled at committee as appropriate.
5. Section 9 (3) a of the Accounts and Audit Regulations 2015 also requires "that the responsible financial officer for a Category 1 authority must re-confirm on behalf of that Authority that they are satisfied that the statement of accounts presents a true and fair view of—  
(a) the financial position of the authority at the end of the financial year to which it relates;  
and  
(b) that authority's income and expenditure for that financial year."

The Chief Finance Officer re-confirms that the Statement of Accounts in Appendix 1 meets the above requirement.

**Proposals**

6. The draft position on over and under spending was reported to the Authority Meeting on 20 May 202 (Minute number 37/22), the final audited accounts include the following changes that became apparent during the closure of the accounts. It is necessary for the outturn to be approved before the final outcome of the audit is known, therefore there is always the potential that the outturn figures will change during the course of the audit.

Reserve	May Outturn £'000s	Final Accounts £'000s	Variance plus (minus) £'000s	Comments
General Reserve	490	614	124	Gain on the disposal of fixed assets
Capital Reserve	1,598	1,598	0	
Specific Reserves	7,277	7,277	0	
Restricted Funds	123	123	0	
<b>Total</b>	<b>9,488</b>	<b>9,612</b>	<b>124</b>	

### Audit of the Accounts

7. The audit has been completed and the Audit Completion Report (ACR) is a separate agenda item. Appendix 2 of this report lists the amendments made to the draft Accounts following audit recommendations, and these amendments have all been incorporated into the final version. Any final amendments required in order to allow the auditors to issue their opinion, will be updated as required.
8. The Authority appoints a RICS Registered Valuer (Royal Institution of Chartered Surveyors) from the Valuation Office Agency to value the fixed assets each year as part of the Statement of Accounts processes. This is to ensure that the values held within the Authority's accounts are independently assessed. During the SOA process for 2021/22 the appointed valuer failed to complete the valuations as per the valuation instructions which resulted in additional work being required. The revised valuations were received in December 2022 with final supporting documentation being received in January 2023. The CFO had to make changes between the draft and final version of the audited SOA based on the revised valuations and has resulted in an increase the valuation of the land and building of £212k. During the course of the audit a misstatement in the value of the assets held for sale was also discovered, reducing the value by £71k, therefore there was net change in the value of assets of £140k.
9. In December 2022, the external auditors made it known that the pension values for the Authority had increased by 0.42% as a result of the audit of the Derbyshire Pension Fund. The Authority is part of the Derbyshire Pension Fund administered by Derbyshire County Council. The values included within the Statement of Accounts are wholly supplied by Hyman's the Actuary. For most Local Authorities who are members of the Derbyshire Pension Fund the change is not material, however for the Peak District National Park Authority the difference is large enough to require an updated valuation figure from the actuary. The updated report was received on 12 January 2023 and has shown a change of £301k in the asset values. This has been changed in the Statement of Accounts.

### Are there any corporate implications members should be concerned about?

10. **Financial:**

The financial position was explained in the outturn report to the Authority on 20 May 2022 (Minute number 37/22) and the Statement of Accounts contains explanations and commentary as required by the Code of Accounting Practice. The final adjustments to reserves do not affect any of the advice or conclusions reached in the outturn report.

11. **Risk Management:** The external audit process is an integral part of the Statement of Accounts process and is a risk-based process. This mitigates the risks of material misstatements in the Statement of Accounts.

12. **Sustainability:** Not applicable

13. **Equality:** Not applicable

14. **Climate Change:** Not applicable

15. **Background Papers** (not previously published): None

16. **Appendices:**

Appendix 1 – Statement of Accounts for Financial Year 1 April 2021 to 31 March 2022

17. **Report Author, Job Title and Publication Date**

Justine Wells, Head of Finance and Chief Finance Officer, 26 January 2023  
[Justine.wells@peakdistrict.gov.uk](mailto:Justine.wells@peakdistrict.gov.uk)