

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE: Draft Statement of Accounts and Draft Annual Governance Statement 2022/23	
REPORT OF: Executive Director Corporate Services	
FOR SUBMISSION TO: Audit and Corporate Governance Committee	DATE: 26 September 2024
<p>SUMMARY OF REPORT: This report presents to the Audit and Corporate Governance Committee the draft Statement of Accounts together with the draft Annual Governance Statement for 2022/23.</p> <p>LOCAL GOVERNMENT ACT 1972 – ACCESS TO INFORMATION No documents that require listing have been used in the preparation of this report.</p> <p>CONTACT OFFICER: Raj Shah Chief Accountant 5 Pancras Square London N1C 4AG Telephone: 020 7974 6378 raj.shah@camden.gov.uk</p>	
<p>RECOMMENDATIONS</p> <p>The Audit & Corporate Governance Committee is asked to:</p> <ol style="list-style-type: none"> 1. Approve the draft Annual Governance Statement for 2022/23 at Appendix A 2. Delegate authority to the Executive Director Corporate Services to make any minor amendments to the Annual Governance Statement prior to publication 3. Note the draft Statement of Accounts for 2022/23 presented at Appendix B. 	
SIGNED: Approved by Director of Finance	
DATE: 16 September 2024	

1. Purpose of Report

- 1.1. This report presents to the Committee the draft 2022/23 financial accounts, for both the Council and Pension Fund, together with the draft Annual Governance Statement for that year.

2. Background

- 2.1. Camden, like many local authorities, have experienced significant delays with the audit of accounts over the past 4 years. The widely documented backlog in financial reporting across Local Government has impacted councils across the country, with knock on impacts on production of the draft accounts for subsequent years.
- 2.2. The Committee will hear under other agenda items at this meeting updates on the audit backlog, as well as receiving the draft audit completion reports and final Statement of Accounts for 2021/22 for agreement.
- 2.3. Camden have worked hard to simultaneously deliver the draft 2022/23 Statement of Accounts whilst supporting the audit of the 2021/22 financial year to target meeting the revised 2022/23 audit backstop date of 13 December 2024.

3. 2022/23 Draft Annual Governance Statement

- 3.1. The draft Annual Governance Statement (AGS) for 2022/23, is presented in **Appendix A**. As per the Accounts and Audit Regulations (2015), the Council is required to conduct a review, at least annually, on the effectiveness of its systems of internal control and include an Annual Governance Statement (AGS) within its Statement of Accounts. Following the review, it must be considered by, and the AGS approved by, a committee. The committee's terms of reference include to review the AGS prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- 3.2. In line with the framework, the AGS is an assessment of the Council's performance across all of its activities and describes:
 - Key elements of the Council's governance arrangements, covering all corporate systems and the range of activities for which the Council is responsible;
 - Specific governance arrangements for the 2022-23 financial year;
 - Processes applied in reviewing the effectiveness of the Council's governance framework, including the system of internal control; and
 - Actions proposed to deal with any significant governance issues identified.
- 3.3. The Committee are asked to approve the draft Annual Governance Statement and agree to delegate authority to the Executive Director Corporate Services to make any minor amendments prior to its publication. Following the Committee's approval the Statement will be presented to the Leader and Chief Executive for

signature and be published on the Council website along with the draft Statement of Account.

4. 2022/23 Draft Statement of Account

- 4.1. The draft Statement of Accounts for 2022/23, incorporating both the Council and Pension Fund accounts, is presented at **Appendix B** to note. This draft statement is in the process of a professional compliance review by external consultants, as well as final internal quality assurance review before its agreement and approval by the Chief Financial Officer.
- 4.2. The Chief Financial Officer is responsible for the preparation of the Statement of Accounts (which includes the financial statements) in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Council Accounting in the United Kingdom ('the Code') and of its pension fund statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.
- 4.3. In preparing the Statement of Accounts the Chief Financial Officer is required to confirm that they have:
 - Selected suitable accounting policies and then applied them consistently;
 - Made judgements and estimates that were reasonable and prudent;
 - Complied with the Code;
 - Kept proper accounting records which are up to date;
 - Taken reasonable steps for the prevention and detection of fraud and other irregularities; and
 - Maintained such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4.4. There is no requirement for draft accounts to be agreed by Committee. The Committee will be asked to agree the final accounts following the completion of the audit process.

5. Finance Comments of the Executive Director Corporate Services

- 5.1. This is a report of the Executive Director Corporate Services and his views are incorporated into this report.

6. Legal Comments of the Borough Solicitor

- 6.1. The Borough Solicitor has been consulted and his comments are incorporated in the body of the report.

7. Environmental Implications

- 7.1. There are no environmental implications.

8. Appendices

Appendix A: Draft Annual Governance Statement 2022/23
Appendix B: Draft Statement of Accounts 2022/23

REPORT ENDS