

Meeting: Transport for the North Audit & Governance Committee

Subject: Draft Statutory Accounts

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Meeting Date: Friday 14 July 2022

1. Purpose of the Report:

1.1 This report provides an update on progress on the production of TfN's Statement of Accounts.

2. Recommendations:

2.1 Note the progress made on the production of the Annual Statement of Accounts 2021/22.

2.2 Note that the Committee will receive further report on the Accounts in September prior to approval by the Board at the end of September.

3. Main Issues:

3.1 In line with other local government bodies, TfN is required by statute to prepare an annual Statement of Accounts and for those accounts to be audited by an external body.

3.2 In connection with the statutory accounts, this report is accompanied by two appendices:

1. The Draft Unaudited Statement of Accounts; and
2. A supporting presentation that provides explanation on the content of those accounts.

These documents are presented to encourage review and scrutiny from Committee members.

3.3 The Statement of Accounts includes the draft Annual Governance Statement. This draft statement was reviewed at the committee meeting in February and has been subject to only minor amendment.

3.4 The Statement of Accounts must include a Narrative Report which, in addition to a review of financial performance in year, must include information on the forward plans and financial sustainability of the organisation. Due to the delayed budget and business planning, a lot of the information required for the Narrative Report was approved by the board at its last meeting and has now been captured in the Narrative report. This represents the main update from the version in the papers circulated for the last meeting.

3.5 Mazars commenced their audit in early June. Their confirmation on the technical accounting matters within the accounts is a key step.

3.6 In line with last year, the 2021/22 statutory deadline for publishing accounts for public inspection has been moved by the UK Government to 1 August (from 1 June). We elected to publish the accounts closer to this date to allow the external

audit to progress and ideally consider and address and points emerging from the audit that may impact on the accounts. The Draft Statement of Accounts will be published for public inspection on a date to be confirmed.

- 3.7 TfN Board will be presented with the final audited Accounts, the auditors' opinion, and the Committee's view on 29 September. TfN Board – as 'those charged with governance' – will be asked to approve the accounts.

4. Corporate Considerations

4.1 *Financial Implications*

The financial implications have been considered and are included in the report.

4.2 *Resource Implications*

There are no resource implications within this report.

4.3 *Legal Implications*

Legal implications are addressed within the report.

4.4 *Risk Management and Key Issues*

There are no material risks to be considered within this report.

4.5 *Environmental Implications*

A full impact assessment has not been carried out because it is not considered necessary for this report.

4.6 *Equality and Diversity*

A full impact assessment has not been carried out because it is not considered necessary for this report.

4.7 *Consultations*

A consultation has not been carried out because it is not considered necessary for this report.

5. Background Papers

- 5.1 None

6. Appendices

- 6.1 Item 7.1 - Draft Annual Statement of Accounts (Unaudited)
6.2 Item 7.2 - Draft Annual Statement of Accounts Supporting Presentation