

GMCA AUDIT COMMITTEE

Date: **20th September 2023**

Subject: **Unaudited GMCA Annual Statement of Accounts 2022/23**

Report of: **Steve Wilson, Treasurer of the GMCA**

PURPOSE OF REPORT

This report provides a copy of the Greater Manchester Combined Authority (GMCA) unaudited single entity statement of accounts for 2022/23 and sets out the process for approval of the audited group statement of accounts.

The accounts are unchanged from the version circulated to the committee for information in July 2023.

RECOMMENDATIONS:

Audit Committee members are requested to:

- Consider and comment on the unaudited GMCA 2022/23 Annual Statement of Accounts and
- Note the timescales for publication of the unaudited Statement of Accounts and audited Statement of Accounts, which has a statutory deadline of the 30th November 2023.

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Risk Management – No known risks. The unaudited GMCA Annual Statement of Accounts will be subject to external audit during 2023.

Legal Considerations – included in Section 3

Financial Consequences – Revenue – N/A

Financial Consequences – Capital – N/A

Number of attachments included in the report: 1

BACKGROUND PAPERS:

None

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? N/A

GM Transport Committee N/A

Overview and Scrutiny Committee N/A

1. INTRODUCTIONS

- 1.1 This report provides a copy of the GMCA unaudited 2022/23 Annual Statement of Accounts, including the financial statements for the GMCA Single Entity Accounts and the GMCA Group Accounts.
- 1.2 The Accounts and Audit Regulations set out the requirements for the production and publication of the annual statement of accounts. The regulations set out that the unaudited accounts are to be certified by the Treasurer as providing a true and fair view of the financial position of the authority as at 31 March 2023 and its income and expenditure for the year ended 31 March 2023.

2. 2022/23 ACCOUNTS TIMESCALES

- 2.1 As part of the GMCA constitution Audit Committee has delegated powers to approve the audited accounts. It is also good practice for the Audit Committee to have the opportunity to consider the unaudited accounts prior publication and receiving the audited accounts for approval.
- 2.2 The authority is required by *The Local Audit and Accountability Act 2014* and the *Accounts and Audit Regulations 2015* to present its Statement of Accounts (and associated documents) for public inspection for a period of 30 days which must include the first 10 working days of June. This means that the deadline for publication of unaudited 2022/23 financial statements was 31 May 2023, which has been brought forward, since the last two years, from 31st July. The statutory deadline for publication of the final audited accounts remains at 30th November 2023.
- 2.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) has stated that whilst it recognises the statutory nature of the publication deadline, in the context of recent challenges, there is a balance to be struck for Chief Finance Officers between the timeliness and the quality of unaudited financial statements produced. GMCA has notified of a delay in the publication of the accounts on the GMCA website, with an expected date for publication for public inspection of 31st July 2023. This has enabled sufficient time to produce financial statements which reflect external audit recommendations from 2021/22, reported to Audit Committee in March 2023 and the national and Greater Manchester Pension Fund accounting issues.

3. PRESENTATION OF THE ANNUAL ACCOUNTS

3.1 The GMCA Statement of Accounts contain the following sections:

3.2 The Treasurer's Narrative sets out the background to the financial year including a summary of the Authority's outturn position. The Statement of Responsibilities for the Statement of Accounts which details the responsibilities of the Authority and the Treasurer.

3.3 The financial statements and comprising, for both the single entity and the group accounts:

- The Comprehensive Income and Expenditure Statement (CIES) which shows the accounting cost of the Authority's activities rather than the amount to be funded from grants, precepts the share of business rates, district contributions and the transport levy.
- The Movement in Reserves Statement (MIRS) which explains the movement in the Authority's usable and unusable reserves during the financial year.
- The Balance Sheet which shows the total assets, liabilities and reserves of the Authority as at the end of the financial year.
- The Cash Flow Statement which shows the reasons for the change in cash and cash equivalents during the financial year.

3.4 Each statement is preceded by a note explaining its purpose and followed by comprehensive notes explaining the statements.

4. RECOMMENDATIONS

4.1 Recommendations are set out at the front of the report.