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2022/23 Draft Statement of Accounts

Finance Sub Committee

7th June 2023

*Working for a **brighter future** together*



Changes to Deadlines

The Accounts and Audit (Amendment) Regulations 2023

- The Accounts and Audit (Amendment) Regulations 2023 extend the statutory audit deadlines for 2022/23. The publication date for audited accounts has been extended from 31st July to 30th September 2023 for all local authority bodies.

Important Dates

June 1st	Public Inspection (30 working days to 12 th July)
June 8th	Committee receive presentation on draft SOA
July to September (TBC)	Mazars on site for main audit
September 28th	Committee receive audit findings and SOA.
September 30th	Audited Statement of Accounts published

Approving the Accounts

- The Group Accounts require the approval of the Audit & Governance Committee. Recommendations will be made at the Committee meeting on 28th September 2023.
- Each entity within the group also has a set of accounts that require approval, either by the Committee or a Company Board.
- The Cheshire East Group accounts are audited by Mazars LLP.
- The companies accounts are audited by Grant Thornton UK LLP.

Cheshire East Group 2022/23

Cheshire East Borough Council

Wholly owned companies

CERF

Ansa Ltd

Orbitas Ltd

Other Companies

Tatton Park
Enterprises

Cheshire &
Warrington
Development
Fund Ltd

Cheshire &
Warrington
LEP

Alderley
Park Ltd

Cheshire East Group

Statement of Accounts 2022/23

Supporting Narrative

- Overview of financial and operational performance.
- Includes achievements, risks and lots of facts and figures.

Management Accounts headlines

- Group useable reserves increased by £0.9m to **£167.5m**
 - 91% of useable reserves have been earmarked
 - Revenue spending (including Covid-19 related) was **£318.7m**
 - Net overspend was **£6.0m**
 - General Fund Balance increased from £12.6m to £14.1m
 - Wholly Owned Companies spending was **£48.1m**
 - Wholly Owned Companies achieved a surplus of **£0.462m**

Cheshire East Council make up 99% of the Group

Cheshire East Borough Council – Management Accounts

- **£318.7m of Net revenue spending** supported services, a increase of £15.0m (5%) from 2022/23.
- **£282.1m of Council Tax and Business Rates** were managed through the Collection Fund.
- **£116.4m of Capital Spending** was completed.

Cheshire East Group – 2022/23

Movement in reserves (£m)	Usable	Unusable	Total
Opening Balance	166.9	229.3	396.2
I & E Surplus/(Deficit)	(71.0)	671.1	600.1
I & E (Adjustments)	71.6	(71.6)	0.0
Change	0.6	599.5	600.1
Closing Balance	167.5	828.8	996.3

Increases: pension liability, earmarked reserves;

Cheshire East Group - 2022/23

Income & Expenditure (£m)	2021/22	2022/23
Cost of Services	393.5	448.1
Other Income & Expenditure	47.8	40.4
Taxation and Non-Specific Grant	(391.6)	(417.5)
(Surplus) or Deficit on Provision of Services	49.7	71.0
Revaluation of Assets	(24.2)	(26.2)
Pension Liability	(206.9)	(644.9)
Total I & E (Surplus) or Deficit	(181.4)	(600.1)

Cheshire East Group – 2022/23

Balance Sheet (£m)	2021/22	2021/22
Long Term Assets	1,134.5	1,176.2
Current Assets	131.5	115.2
Current Liabilities	(323.6)	(347.4)
Long Term Liabilities	(546.1)	52.3
Net Assets	396.3	996.3
Usable Reserves	166.9	167.5
Unusable Reserves	229.4	828.8
Total Reserves	396.3	996.3

Positive impact: LT Investments; Short Term Debtors; Long term borrowing

Negative impact: Short term Creditors; Pensions Liability

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Cheshire East Group

Cashflow (£m)	2021/22	2022/23
Opening Balance – cash & cash equivalents	31.7	40.9
Closing Balance	40.8	28.6
Net Increase / (decrease) in cash & cash equivalents	9.1	(12.3)

What to do now....

Members of the Committee should consider:

- Quality of the supporting narrative
- Relevance of the information provided
- Transparency of the accounts
- Engage with the Finance Team on any queries up to the Committee Date (28th September)

The Finance Team will:

- Work with Mazars to complete the audit.
- Promote the public engagement opportunities
- Finalise the accounts based on feedback