

# Foreword

The decade following the global financial crisis has shone a light on public finances like never before. The huge cash injection by governments around the world to shore up the banking sector resulted in the doubling of debt in the UK and near financial collapse for others. The debate will rage on as to the action taken by governments and no doubt will be the theme for many scholars and commentators for several years to come.

To be able to assess the impact of this significant increase in debt and day-to-day policy decisions on the nation's public finances has added to the clamour for greater scrutiny of public finances.

The UK government is one of the most transparent in the world, ranked eighth in the Transparency International rankings. One thing is clear – there is a wealth of information available. In an era of fake news and information overload, often the challenge is knowing where to look and what questions to ask to be able to scrutinise public spending.

One document above all others is key in this process – the annual accounts. All public sector bodies are required to prepare and present financial statements. Although these documents may often look impenetrable, this should not put citizens off seeking a better understanding of what government is spending on individual public services, long-term debt and the trends in government debt. The key factor is that the accounts are audited independently so the information in the accounts can be relied upon.

This publication's aim is to help guide the interested citizen to decipher the nomenclature in public finances, understand the process for agreeing the amounts given to individual departments and then assess how well they have performed.

A better understanding by the citizen will add to a more informed debate about public finance and good public financial management and hold the government to account based on evidence not perception.

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Chair of the CIPFA Governments Board

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