

<b>SIGNED OFF BY</b>	Interim Head of Finance
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<b>TO</b>	Audit Committee
<b>DATE</b>	Thursday, 26 November 2020
<b>EXECUTIVE MEMBER</b>	Deputy Leader and Portfolio Holder for Finance

<b>KEY DECISION REQUIRED:</b>	No
<b>WARD (S) AFFECTED:</b>	ALL

<b>SUBJECT:</b>	Statement of Accounts 2019/20 – Audit Progress Update
<b>RECOMMENDATIONS</b>	
That the current position regarding completion of the audit of the Statement of Accounts for 2019/20 be noted.	
<b>REASONS FOR RECOMMENDATIONS:</b>	
The Audit Committee has delegated responsibility for approving the Council’s annual Statement of Accounts and for receiving the external auditor’s report on them.	
<b>EXECUTIVE SUMMARY:</b>	
The draft Statement of Accounts was published on the Council’s website on 5 October 2020 and the audit by Deloitte LLP commenced on that day.	
The original intention was for the external audit lead to attend this meeting to present their (ISA260) report with the outcome of the audit. At the time of preparing this report, the audit work had not yet concluded therefore the audited Statement of Accounts and the external auditor’s report are not yet available for approval by this Committee.	
A verbal update will be provided by officers to this meeting of Audit Committee regarding the anticipated date for receipt of the auditor’s report.	

**The Audit Committee has authority to approve the above recommendations.**

**STATUTORY POWERS**

1. The Council is required to produce a Statement of Accounts by the *Local Government and Housing Act 1989* and the *Accounts and Audit Regulations 2015*.
2. In accordance with the *Local Authorities (Functions and Responsibilities) (England) Regulations 2000* and the Council's Constitution approval of the Statement of Accounts is an Audit Committee responsibility.

## **BACKGROUND**

3. For the 2019/20 Accounts the publication and audit deadlines in the Accounts & Audit Regulations have been amended due to the COVID-19 pandemic.

## **KEY INFORMATION**

4. The main provisions in the Accounts & Audit Regulations for the 2019/20 Statement of Accounts and progress against them are set out below.
5. *The responsible financial officer must, by 31 August 2020, sign and date the Statement of Accounts and certify that it presents a true and fair view of the financial position of the Council at the end of the financial year and of the Council's income and expenditure for that year.*
  - The Interim Head of Finance & Assets (as the Council's Chief Finance Officer) signed and published the draft Statement of Accounts on 5 October.
  - As previously reported to Audit Committee, the primary reasons for the delay in publication were competing demands on the Finance team's capacity due to the COVID-19 pandemic and the requirement to undertake additional work as part of this year's closedown to ensure that all recommendations arising from the 2018/19 audit were addressed. Specifically, this required a significant volume of additional work to update the council's asset register records to ensure compliance with the Code of Practice for local government accounting.
6. *The Audit Committee [on behalf of the Council] must, by 31 November 2020, consider and approve the Statement of Accounts by way of resolution. Following approval by Audit Committee, the Committee Chair must sign and date the Statement of Accounts. The Council must the publish its Statement of Accounts, including the Annual Governance Statement together with any certificate or opinion entered by the auditor.*
  - The external audit of the Accounts by Deloitte LLP began, as planned, on 5 October.
  - At the time of preparing this report the audit had not yet concluded. A verbal update will be provided by officers to this meeting of Audit Committee on the revised anticipated completion date.

## **OPTIONS**

- i. To consider and approve the progress update provided in this report.
- ii. To consider and request additional information about the update provided in this report.
- iii. To reject the update.

## **LEGAL IMPLICATIONS**

7. There are no legal implications arising from this report. There are no specific consequences arising from failure to publish the Statement of Accounts by the dates specified in the Accounts & Audit Regulations.

#### **FINANCIAL IMPLICATIONS**

8. There are none.

#### **EQUALITIES IMPLICATIONS**

9. There are none.

#### **COMMUNICATION IMPLICATIONS**

10. There are no communications implications arising from this report. The auditor's report and audited Statement of Accounts 2019/20 will be published on the Council's website when approved by Audit Committee.
11. The Accounts & Audit Regulations include provision for public inspection of the Accounts and supporting documents whereby interested parties may submit requests during the audit period for more detail on the information included in the Accounts. To date one request has been received relating to the 2019/20 Accounts.

#### **RISK MANAGEMENT CONSIDERATIONS**

12. There are none.

#### **HUMAN RESOURCE IMPLICATIONS**

13. There are none.

#### **CONSULTATION**

14. There are no specific consultation requirements

#### **POLICY FRAMEWORK**

- 15.

#### **Background Papers:**

*Draft Statement of Accounts 2019/20 [website link](#)*