

Report to:	AUDIT PANEL
Date:	9 June 2020
Executive Member / Reporting Officer:	Councillor Ryan, Executive Member for Finance and Economic Growth Kathy Roe – Director of Finance
Subject:	DRAFT ACCOUNTS AND ANNUAL GOVERNANCE STATEMENT – UPDATE ON TIMESCALES FOR PREPARATION AND EXTERNAL AUDIT
Report Summary:	This report provides members of the Audit Panel with an update on the revised deadlines and proposed timescales for the preparation of the 2019/20 Statement of Accounts and Annual Governance Statement. Changes have been made to the deadlines in response to the significant pressures placed on the Council in response to the COVID19 pandemic.
Recommendations:	Members of the Audit Panel are asked to note the revised timescales for accounts preparation, the annual governance statement and external audit reporting.
Corporate Plan:	The Corporate Plan determines priorities for spending which is summarised in the 2019/20 accounts.
Policy Implications:	There are no direct policy implications flowing from the Statement of Accounts.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	The Statement of Accounts 2019/20 will provide full details of the Council's financial position at 31 March 2020 and its income and expenditure for the year ended 31 March 2020. The accounts are prepared in accordance with the CIPFA Code of Practice for Local Authority Accounting which is based on International Financial Reporting Standards.
Legal Implications: (Authorised by the Borough Solicitor)	There is a statutory duty imposed on the Council to be able to provide adequate evidence for all its financial activities set out in the Local Government and Housing Act 1989. The preparation of the annual accounts and the audit of those accounts is the main mechanism by which the adequacy of those records is tested.
Risk Management:	The external audit provides verification of the Council's financial statements. By producing the annual Statement of Accounts and Annual Governance Statement, the Council aims to give all interested parties confidence that the public money that has been received and spent, has been properly accounted for and that the financial standing of the Council is secure and high standards of governance are in place.
Background Information:	The background papers relating to this report can be inspected by contacting Heather Green, Finance Business Partner Telephone: 0161 342 2929 e-mail: heather.green@tameside.gov.uk

1. BACKGROUND

- 1.1 The statutory timetable for the preparation of draft financial statements normally requires that the draft Statement of Accounts and Annual Governance Statement is prepared and published by 31 May each year. External Audit then takes place and the target for completion of external audit and publication of the final audited Statement of Accounts is 31 July.
- 1.2 For the 2019/20 accounts, Government has recognised that significant operational pressures have been placed on Council's as a result of the COVID19 pandemic and changes have been made to the deadlines for publication of draft and final audited Statement of Accounts.

2. REVISED TIMESCALES

- 2.1 The Ministry of Housing, Communities and Local Government have laid regulations to revise the statutory deadlines for 2019/20 accounts (**Appendix 1**). The revised deadlines require that draft accounts and a draft Annual Governance Statement are published by 30 August at the latest. The publication date for final audit accounts is now 30 November 2020.
- 2.2 The preparation of draft accounts is well progressed and officers have sought to stick to the original timetable as far as possible. However, supporting the Council's response to COVID19 has remained the priority for all service areas and as a result some elements of the accounts and the Draft Annual Governance Statement will not be complete for the original target date of 31 May. Delay in the publication of key financial returns by Government has also impacted on the preparation of some elements of the accounts.
- 2.3 Officers expect to complete the preparation of the Council's draft accounts by mid June 2020. The draft Statement of Accounts and Annual Governance Statement will be presented to the meeting of the Audit Panel on 28 July and then placed on deposit for public inspection during August. It is expected that External Audit will report to the meeting of the Audit Panel on 10 November 2020.

3. RECOMMENDATIONS

- 3.1 As set out on the front of the report.