



AUDIT AND GOVERNANCE COMMITTEE

Monday, 15 March 2021

EAST SUFFOLK COUNCIL DRAFT STATEMENT OF ACCOUNTS 2019/20

EXECUTIVE SUMMARY

1. As per the Accounts and Audit Regulations 2015, the draft Statement of Accounts for 2019/20 was originally due to be published by 31 May 2020, with a period of public inspection following that date. However, due to the Coronavirus pandemic, the publication date for the draft Statement of Accounts was delayed by Government. The Accounts and Audit (Amendment) Regulations 2020 amended the relevant sections of the Accounts and Audit Regulations 2015, requiring a new deadline for the publication of the draft Statement of Accounts of 31 August 2020. The Council achieved this deadline and published its draft Statement of Accounts on the Council's website in August 2020.
2. The publication date for final, audited, accounts for 2019/20 was also moved from 31 July 2020 to 30 November 2020, although this is not a statutory deadline. The work of the external auditors – Ernest & Young (EY), has been delayed due to the impact of the Coronavirus pandemic on external audit resourcing. The Council has placed a notice of late publication of the audited accounts for 2019/20 on its website. At this time the audit is substantially completed and EY have issued a Provisional Audit Results Report 2019/20 which is covered under a separate Agenda item at this Committee meeting.
3. Appendix A includes a copy of the Draft Statement of Accounts for 2019/20 as published on the Council's website in August 2020. It does not include any adjustments that have been identified since publication and agreed by the Council and EY.
4. EY aim to finalise their work at the end of March 2021. On completion of the audit, the Audited Statement of Accounts for 2019/20 will be presented to the Committee at the earliest opportunity for comment and approval.
5. The Audit & Governance Committee is recommended to note the East Suffolk Council Draft Statement of Accounts for 2019/20, prior to any adjustments being made on conclusion of the audit by EY.

Is the report Open or Exempt?	Open
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Wards Affected:	All Wards in East Suffolk
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Cabinet Member:	Councillor Maurice Cook Cabinet Member with responsibility for Resources
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Supporting Officer:	Brian Mew Chief Finance Officer and S151 Officer (01394) 444571 Brian.Mew@eastsoffolk.gov.uk
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1 INTRODUCTION

- 1.1 As per the Accounts and Audit Regulations 2015, the Draft Statement of Accounts for 2019/20 was originally due to be published by the 31 May 2020. However, due to the Coronavirus pandemic, the publication date for the Draft Statement of Accounts was delayed by Government.
- 1.2 The Accounts and Audit (Amendment) Regulations 2020 amended the relevant sections of the Accounts and Audit Regulations 2015, requiring a new deadline for the publication of the Draft Statement of Accounts of 31 August 2020. The Council achieved this deadline and published its Draft Statement of Accounts on the Council's website in August 2020.
- 1.3 For 2019/20, the Accounts and Audit Regulations 2015 (Amended) require the Council's Chief Finance Officer to sign the Accounts by no later than 31 August 2020 (usually 31 May of the following financial year), certifying that they "present a true and fair view of the financial position of the Council at 31 March 2020 and of its income and expenditure for the year ending on that date".
- 1.4 The Council's accounts for the year ended 31 March 2020 have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 (the Code) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). In England and Wales, the local authority Code constitutes "proper accounting practice" under the terms of section 21(2) of the Local Government Act 2003
- 1.5 The audit of the accounts is substantially completed and EY are aiming to finalise their work at the end of March 2021.

2 EAST SUFFOLK COUNCIL'S FINANCIAL PERFORMANCE 2019/20

- 2.1 On 1 September 2020, Cabinet received a Draft Outturn Report providing an overview of the Council's financial performance for 2019/20 in respect of the General Fund, reserves, the capital programme, the Housing Revenue Account (HRA) and the Collection Fund.
- 2.2 Key financial information to highlight from the Draft Outturn Report was:
 - The General Fund outturn position was a deficit of £0.686m and this was transferred from the in-year savings reserve. However, for outturn, the required use of the reserve was less than expected by £0.391m.
 - The total balance on the Council's General Fund earmarked reserves was increased by £1.557m to £46.931m and the General Fund balance was maintained at £6m.
 - The 2019/20 capital programme expenditure for the General Fund was £10.851m. The programme was underspent by £15.585m, mainly due to rephrasing of projects to 2020/21.

3 DRAFT STATEMENT OF ACCOUNTS 2019/20

- 3.1 The East Suffolk Council Draft Statement of Accounts 2019/20 is attached as Appendix A.

4 HOW DOES THIS RELATE TO THE EAST SUFFOLK STRATEGIC PLAN?

- 4.1 The publication of Audited Statement of Accounts is a statutory requirement under the Accounts and Audit Regulations 2015 and the Local Audit and Accountability Act 2014. The Statement of Accounts demonstrates the Council's governance and value for money, helping to achieve the priorities set out in the Strategic Plan, and the audit process provides external assurance of this.

5 FINANCIAL AND GOVERNANCE IMPLICATIONS

5.1 Included in Sections 2 and 4.

6 OTHER KEY ISSUES

6.1 None.

7 OTHER OPTIONS CONSIDERED

7.1 None.

8 REASON FOR RECOMMENDATION

8.1 The consideration and approval of the Statement of Accounts is a statutory requirement under the Accounts and Audit Regulations 2015.

RECOMMENDATION

That the Committee notes the East Suffolk Council Draft Statement of Accounts for 2019/20.

APPENDICES

Appendix A

East Suffolk Council Draft Statement of Accounts for 2019/20

BACKGROUND PAPERS – none