

MEETING: **AUDIT AND GOVERNANCE COMMITTEE**

DATE: **30 JULY 2020**

TITLE: **STATEMENT OF ACCOUNTS 2019/20**

PURPOSE / RECOMMENDATION: **TO RECEIVE THE STATUTORY STATEMENT OF ACCOUNTS (PRE-AUDIT DRAFT) FOR INFORMATION**

AUTHOR: **DAFYDD L EDWARDS, HEAD OF FINANCE**

CABINET MEMBER: **COUNCILLOR IOAN THOMAS**

---

## **1. INTRODUCTION**

- 1.1 This report introduces the statutory Statement of Accounts for the 2019/20 financial year, which provides details of the Council's financial activities during the year which ended on 31 March 2020.
- 1.2 The following document is the draft Statement of Accounts in its statutory format, 91 pages long in each language. A link to the Statement was sent to all elected members and chief officers of the Council on 31 May 2019.
- 1.3 This year, the final accounts following audit was to be submitted to the 30 July 2020 Audit and Governance Committee, but the lockdown arrangements as a result of Covid-19 has caused a delay throughout Wales with the electors' rights to inspect the accounts, and therefore an extraordinary meeting of the Audit and Governance Committee will now be held on 14 September 2020.
- 1.4 The draft accounts presented here are currently subject to audit, so it is possible that some changes will be necessary before a final version is submitted for approval at the 14 September 2020 meeting of the Audit and Governance Committee.
- 1.5 The basic form and content of these Statements is prescribed under the Accounts and Audit (Wales) (Amendment) Regulations 2018, as well as other national regulations and standards. Several requirements of the IFRS (International Financial Reporting Standards) are based on Code of Practice on Local Authority Accounting and apply to the Council's Statement of Accounts for 2019/20. As the regulations require statements in a standard format, comparisons with other bodies' accounts is facilitated, but the statements have now become technically complex and difficult to understand.
- 1.6 Simple summary "outturn" reports relating to the 2019/20 accounts were presented to the Cabinet meeting on 16 June 2020. That report was more useful for internal / management purposes, while the Statement of Accounts is more suited for external / governance purposes.

## **2. ACTION REQUIRED**

- 2.1 The Audit and Governance Committee are “those charged with governance” on behalf of the Council, and approved the draft (subject to audit) statement of accounts prior to 2009/10. However, revisions in 2010 to the Accounts and Audit Regulations gave the Statutory Finance Officer (the Head of Finance in Gwynedd Council) responsibility for approving and certifying the draft accounts before the statutory deadline (15 June for the 2019/20 accounts).
- 2.2 There is no longer any requirement for elected members to approve the draft version of the Council’s Statement of Accounts, but this is presented to the Audit and Governance Committee FOR INFORMATION as good practice.
- 2.3 Doubtless, the committee’s members will wish to consider and understand the content now, in preparation for approving the final version in September, and to equip themselves with information to consider relevant risks and other matters being audited in their context.

## **3. SUBSEQUENT STEPS**

- 3.1 Further to certification by the Head of Finance and consideration by the Audit and Governance Committee, the 2019/20 Statement of Accounts, with all other relevant statements are the subject of the annual audit process by Deloitte, Gwynedd Council’s external auditors, who were appointed by the Auditor General for Wales.
- 3.2 In accordance with the Accounts and Audit (Wales) (Amendment) Regulations 2018, the Council has notified the public, on the Council’s website, that the accounts will be available for inspection for a 20 working day period, commencing on 3 August 2020. As part of the audit process, local government electors also have the opportunity to question the external auditor about the Council’s accounts.
- 3.3 As noted in paragraph 1.4 (above), the final (audited) version of the Council’s 2019/20 Statement of Accounts will be submitted to the meeting of the Audit and Governance Committee on 14 September 2020 FOR APPROVAL, along with a report on behalf of the Auditor General for Wales.
- 3.4 Subsequently, it is the Finance Department’s intention to provide a link to the final Statement to all elected members and all chief officers of the Council, as well as other interested parties.

## **4. RECOMMENDATION**

- 4.1 The Audit and Governance Committee is asked to receive and note the Council’s Statement of Accounts (subject to audit) for 2019/20.