

CYNGOR SIR POWYS COUNTY COUNCIL

AUDIT COMMITTEE
29th September 2020

REPORT AUTHOR: Jane Thomas, Head of Financial Services

SUBJECT: Statement of Accounts and Pension Fund Accounts
2019/20

REPORT FOR: Information

- 1.1 The draft Statement of Accounts and the Pension Fund accounts for 2019/20 were signed off by the Head of Finance (Section 151 Officer) on the 15 June 2020 as required by Accounts and Audit (Wales) Regulations 2014 (as amended).
- 1.2 The onset of the Covid 19 pandemic in March has had a significant impact on the completion and audit of the accounts but despite the barriers put in our way the Council and Audit Wales have completed their work and the Statement of Accounts for the Council for the financial year 2019/20 are before you today for consideration.
- 1.3 In response to the potential impact of the pandemic Welsh Government made provision for the potential delay in completing the accounts and on the 30 April 2020 issued a letter recommending the preparation and certification of draft accounts be extended to the 31 August 2020 with the publication of final audited accounts extended to the 30 November 2020 for all local government bodies in Wales. The letter also advised that by including a note on the Authority website to say why they have not been prepared or published within existing deadlines then the Authority is complying with legislation. The Accounts and Audit (Wales) Regulations 2014 (as amended), stipulate timescales of 15 June for responsible financial officer certification and 15 September for publication. As advised the Authority placed a note on its website prior to 15 September 2020.
- 1.4 The Pension Fund Accounts are not being considered at this meeting as the audit has yet to be completed and a date for Audit Committee approval will be scheduled prior to 30 November 2020.
- 1.5 The Auditor General intend to issue an unqualified opinion on the 2019/20 Accounts of the Authority following the Committees consideration and approval, The Head of Finance (Section 151 Officer) and the Chair of Audit Committee will sign the Statement of Accounts. Arrangements will then be made to publish these accounts.
- 1.6 As part of its role in scrutinising the Council's Statement of Accounts, Audit Committee has participated in two Audit seminars. One on 8 July 2020, where

they received a presentation on the draft accounts submitted to Audit Wales and another held on the 4 September 2020 which presented the changes made since the draft and also reviewed the items and issues raised during the audit period. Members of the Committee used this opportunity to review and question the amendments, enabling them to fully understand the reasons for the changes and any impact they have on the accounts.

- 1.7 There is one misstatement identified in the audited accounts that remains uncorrected. It concerns a £1.214m Welsh Government short term debtor in respect of the Welshpool CIW school building project part financed by the 21st Century Schools Project. Management are of the view that the funding will be received pending the business case being presented to Welsh Government in October.
- 1.8 All other misstatements have been corrected and these are recorded in Appendix 4 of the Auditor General's Report.
- 1.9 The Auditor General's report includes emphasis of matter paragraphs relating to the uncertainty on valuations of operational property assets and council dwellings as well as Pension Fund property assets. This reflects the unknown future impact that Covid 19 might have on the real estate market.
- 1.10 The Accounts were made available for Public Inspection and the Auditors made themselves available for questions on the Accounts, the opportunity was not taken up by anyone this year.
- 1.11 The Project approach used in 2019-20 will continue in 2020/21, the project outline, timetable and actions will be put in place shortly and will incorporate any issues encountered this year alongside any recommendations identified in the forthcoming Audit Wales accounts memorandum report.
- 1.12 The Accounts and Audit (Wales) Regulations 2014 (as amended) brings forward the preparation and certification of draft accounts for 2020-21 to 31 May 2021 and the publication of the final audited accounts to 31 July 2021.
- 1.13 The Statement of Accounts and Annual Governance Statement are presented as separate documents and approval will be sought for each.

Recommendation:	Reason for Recommendation:
<p>That Audit Committee considers and approves the 2019-20 Statement of Accounts. Which can be formally signed by Chair of the Committee and the Section 151 Officer.</p> <p>The Statement of Accounts be published as soon as possible but certainly by the 30 November 2020.</p> <p>That Audit Committee considers and approves the 2019-20 Annual Governance Statement. Which can be formally signed by The Leader of the Council and the Chief Executive.</p> <p>The Annual Governance Statement be published as soon as possible but certainly by the 30 November 2020.</p>	<p>To ensure compliance with the Statutory Requirements.</p>

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