

Audit Committee

25 February 2021



Final Accounts Timetable for the year ended 31 March 2021

Paul Darby, Corporate Director of Resources (Interim)

Electoral division(s) affected:

None

Purpose of the Report

- 1 This report provides Members with information regarding the Final Accounts timetable for 2020/21. This timetable details the target dates for key actions in order to complete the Statement of Accounts in line with statutory deadlines.

Executive summary

- 2 It is the responsibility of the Corporate Director of Resources to sign and certify the unaudited Statement of Accounts 2020/21 by no later than 31 May 2021.
- 3 It is the responsibility of the Audit Committee to approve the final, or audited, set of accounts on or before 30 September 2021.
- 4 These deadlines are subject to change due to the ongoing Covid-19 situation and the recommendations of the Independent Review of Local Authority Financial Reporting and Audit (the Redmond Review).
- 5 The final accounts timetable is the means of communicating and gaining ownership of the deadlines for completing tasks by all those involved in the closure of accounts process and serves as a tool for monitoring progress against those target dates.

Recommendation

- 6 Members are asked to note the key dates in the Final Accounts timetable for 2020/21 detailed in Appendix 2, and also note that some dates are subject to confirmation and change.

Background

- 5 The report is presented in accordance with paragraph 4.2.3 of the Committee's operational terms of reference which requires it 'to maintain an understanding of internal and external reporting requirements'.
- 6 The Accounts and Audit Regulations 2015 currently require that:
 - (i) the responsible financial officer, by no later than 31 May, signs and certifies that the Statement of Accounts presents a true and fair view of the financial position of the County Council for the year to 31 March previous, subject to the views of the External Auditor.
 - (ii) on or before 31 July, approval needs to be given to the Statement of Accounts by resolution of a committee, which for Durham County Council is the Audit Committee. This approval will take into account the views of the External Auditor.
- 7 For 2019/20, the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 extended these deadlines to:
 - (i) 31 August for the certified unaudited accounts. The council's accounts for 2019/20 were certified on 12 June 2020, so well within this revised deadline.
 - (ii) 30 November for the approved accounts. The council's 2019/20 accounts were approved by Audit Committee on 25 September 2020, and were published on 30 October 2020 following conclusion of the audit, again, well within the revised deadline.
- 8 The Government has accepted the recommendation of the Independent Review of Local Authority Financial Reporting and Audit (the Redmond Review) for the audit deadline to be extended to 30 September, for local authority accounts for 2020/21 and 2021/22. This will need to be formalised by an amendment to the Accounts and Audit Regulations.
- 9 The Redmond Review makes no recommendation about the deadline for certification of the draft. However, it is possible that Government will take the opportunity at the same time to extend the current 31 May deadline, particularly in view of the ongoing Covid-19 situation.

Main implications

- 10 The Final Accounts timetable is a tool for the effective management and monitoring of the process of closing the accounts.

- 11 Each year the timetable is compiled by officers within the central Strategic Finance Team, with input from officers across the council to ensure that deadlines are achievable and will lead to completion of a Statement of Accounts for signing by the Section 151 Officer (the responsible financial officer – in our case the Corporate Director of Resources) by the statutory deadline.
- 12 In preparing the closedown timetable new and amended processes are considered for the impact on the achievement of dates, as well as reference to any learning from the previous year, particularly where there were problems or issues in meeting of deadlines.
- 13 Although some statutory dates are subject to confirmation and change, at this stage, the timetable is based on an assumption of 31 May for the unaudited accounts to be completed and 30 September for the approved, audited accounts to be presented to the Committee for approval.
- 14 Officers in the Strategic Finance Team closely monitor the achievement of the dates in the timetable throughout the final accounts period, sending prompts in advance of upcoming deadlines and following up any delays and missed deadlines. This helps to ensure that the overall timetable is achieved, and to identify improvements that can be made to the next year end process.
- 15 Meetings are also held to ensure that practitioners apply accounting procedures consistently; best practice is shared; there is a shared understanding of all interdependencies across the closedown period and that any difficulties or delays being encountered are escalated. The meetings also act as forum for disseminating updated information quickly and consistently and a conduit to ensuring that any external audit queries are quickly addressed.
- 16 The key dates included in the detailed Final Accounts timetable are attached at Appendix 2 for information.

Other useful documents

- Audit Committee 25 September 2020 – Statement of Accounts for the Year Ended 31 March 2020
- Audit Committee, 25 September 2020 – Independent Review of Local Authority Financial Reporting and Audit

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Appendix 1: Implications

Legal Implications

The Accounts and Audit Regulations 2015 require that the responsible financial officer, by no later than 31 May, signs and certifies that the Statement of Accounts presents a true and fair view of the financial position of the County Council for the year to 31 March previous, subject to the views of the External Auditor. These regulations may be subject to amendment in view of the Redmond Review and the ongoing Covid-19 situation.

Finance

There are no direct financial implications arising for the council as a result of this report, although by implementing the timetable, we are demonstrating efficient arrangements for the proper administration of the County Council's financial affairs and will meet the statutory deadline for the production of the Statement of Accounts.

Consultation

None.

Equality and Diversity / Public Sector Equality Duty

None.

Climate Change

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

This report requires no decision and so a risk assessment has not been carried out.

Procurement

None.

Appendix 2: Key Dates from the Final Accounts Timetable

Task	Responsibility	Original Timetabled date 2019/20	Proposed completion date 2020/21
Circulation of Related Party declarations for completion by Members and Senior Officers	Resources – Democratic Services	Mon 2 Mar 2020	Mon 1 Mar 2021
Details of Related Party declarations for Members and Senior Officers to be returned to Democratic Services	Members / Senior Officers	Mon 16 Mar 2020	Mon 15 Mar 2021
Final postings by Benefits section	Finance & Transactional Services - Income & Support	Tue 31 Mar 2020	Wed 31 Mar 2021
Last creditors paysheet for 2020/21	Finance & Transactional Services - Payments & Expenditure	Tue 31 Mar 2020	Wed 31 Mar 2021
All stock checks completed at 31 March	Services	Tue 31 Mar 2020	Wed 31 Mar 2021
All cash posted up to and including 31 March	Finance & Transactional Services - Income & Support	Wed 1 Apr 2020	Thu 1 Apr 2021
Last monthly salaries and wages information for 2020/21 processed into ledger	Payroll / Strategic Finance	Wed 1 Apr 2020	Thu 1 Apr 2021
All bank reconciliations to 31 March completed	Strategic Finance	Mon 20 Apr 2020	Mon 19 Apr 2021

Task	Responsibility	Original Timetabled date 2019/20	Proposed completion date 2020/21
Service ledgers finalised and final reports produced and net revenue outturn for each service grouping notified to Strategic Finance	Finance & Transactional Services / Strategic Finance	Fri 24 Apr 2020	Tue 27 Apr 2021
Chief Financial Officer to sign the Statement of Accounts	Strategic Finance / Corporate Director of Resources	Fri 29 May 2020	Fri 28 May 2021
Statement of Accounts to External Audit	Strategic Finance	Mon 1 Jun 2020	Tue 1 Jun 2021
Start of Statement of Accounts audit	External Audit	Mon 1 Jun 2020	Tue 1 Jun 2021
Start of Inspection Period (provisional)	Strategic Finance	Mon 1 Jun 2020	Tue 1 Jun 2021
Unaudited Whole of Government Accounts (WGA) return to External Audit and HM Treasury (provisional)	Strategic Finance	Fri 12 Jun 2020	Fri 11 Jun 2021
Cabinet – Overall Outturn Report considered (provisional)	Strategic Finance	Wed 8 Jul 2020	Wed 7 Jul 2021
End of Inspection Period (provisional)	Strategic Finance	Fri 10 Jul 2020	Mon 12 Jul 2021
Audit Committee meeting – approval of Statement of Accounts (provisional)	Strategic Finance	Fri 31 Jul 2020	Thu 30 Sep 2021
Publication of Accounts (provisional)	Strategic Finance	Fri 31 Jul 2020	Thu 30 Sep 2021
Audited WGA return to HM Treasury (provisional)	Strategic Finance	Mon 31 Aug 2020	Mon 4 Oct 2021