

Report

Report to:	Risk and Audit Scrutiny Committee
Date of Meeting:	19 June 2019
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Unaudited Annual Accounts 2018/2019
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ advise members of the requirement to consider the unaudited Annual Accounts of the Council and related Charitable Trusts by 31 August 2019.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the Unaudited Accounts of the Council and related Charitable Trusts, to be submitted to Audit Scotland by the deadline of 30 June, be noted.

3. Background

3.1. The Local Authority Accounts (Scotland) Regulations 2014 require the unaudited accounts to be submitted to the external auditor no later than 30 June. The Regulations also require elected members to consider the unaudited accounts at a meeting to be held no later than 31 August.

3.2. The Council's Terms of Reference deems that the Risk and Audit Scrutiny Committee will formally consider the unaudited accounts prior to submitting them to the external auditor and making them available for public inspection.

3.3. This report provides details of the Accounts enclosed for members' consideration being the Council Accounts (Section 4) and the related Charitable Accounts (Section 5).

4. Unaudited Accounts – South Lanarkshire Council

4.1. The Council's Unaudited Accounts for 2018/2019, copies of which have been e-mailed to Members of this Committee under separate cover, is a statutory document which details key information on the Council's expenditure and income for the financial year ended 31 March each year. The Annual Accounts show a number of main statements including a Comprehensive Income and Expenditure Statement, Balance Sheet, Movement in Reserves, Cash Flow and supplementary notes.

4.2. The Accounts include a reconciliation between the management information in the format reported to the Council's Committees throughout the year (the Expenditure and Funding Analysis), and apply accounting entries in line with the CIPFA Code of Practice, to produce the main statements detailed in 4.1.

- 4.3. A report on the final outturn position on the Council's Revenue Budget is being presented to the Executive Committee on 26 June 2019 which seeks approval to transfer funds to reserves to meet future budget pressures and commitments.
- 4.4. The information contained in the Unaudited Accounts (e-mailed to Members of this Committee and available on the Council's website on 28 June 2019 for public inspection) takes into account the position reported the Revenue Outturn report, and is, therefore, subject to the approval of the Executive Committee.
- 4.5. Following the audit of the Accounts across the summer months, the Audited Annual Accounts will be brought back to this Committee on 18 September 2019, along with the External Auditor Members' report for formal approval and signature.
- 4.6. A copy of the Unaudited Accounts will be circulated to all elected members following this meeting.

5. Unaudited Accounts – Charitable Trusts

- 5.1. In addition to the Unaudited Accounts for the Council, this Committee is also required to consider the accounts of the 3 related Charitable Trusts: South Lanarkshire Educational Trust, South Lanarkshire Council Charitable Trust and the East Kilbride Information Technology Trust. These have also been e-mailed to Members of this Committee under separate cover and will be available on the Council's website on 28 June 2019 for public inspection.
- 5.2. These Audited Accounts will also be brought back for approval and signature on 18 September 2019, along with the External Audit Members' report.

6. Employee Implications

- 6.1. There are no direct employee implications from this report.

7. Financial Implications

- 7.1. There are no direct financial implications arising from this report.

8. Other Implications

- 8.1. The main risk associated with the Council and Charitable Annual Accounts is a qualified audit report. The risk has been assessed as low due to the detailed preparation in relation to the year-end process, technical training undertaken by key finance staff and the roll out of this to Resource finance staff as appropriate. Finance Services and Resources work together to achieve key deadlines and actions set from timetables.
- 8.2. There are no implications for sustainability in terms of the information contained in this report.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 9.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning
Executive Director (Finance and Corporate Resources)

6 June 2019

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ None

List of Background Papers

- ◆ South Lanarkshire Council Annual Accounts 2018/2019
- ◆ Charitable Trusts' Annual Accounts 2018/2019
- ◆ Financial Ledger 2018/2019 and associated working papers

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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