



AUDIT AND GOVERNANCE COMMITTEE	AGENDA ITEM No: 5
31 JULY 2020	PUBLIC REPORT

STATEMENT OF ACCOUNTS

1.0 PURPOSE

- 1.1. The purpose of the report is for the Audit and Governance Committee to:
- (a) Receive and review the draft 2019/20 Statement of Accounts

<u>DECISION REQUIRED</u>	
Lead Officer:	Jon Alsop – Head of Finance (S73)
The Audit and Governance Committee is recommended to: (a) Receive and review the draft 2019/20 Statement of Accounts	

2.0 BACKGROUND

Review of the Statement of Accounts 2019/20

- 2.1. According to their Terms of Reference, the Audit and Governance Committee shall:
- No. 3.12 – Review the annual accounts.*
- 2.2. An early ‘workshop’ version of the Combined Authority’s draft Statement of Accounts for the year ended 31 March 2020 was presented to the Audit and Governance Committee on 26 May 2020.
- 2.3. Some sections of the 26 May version of the draft accounts were incomplete, for example because of the late receipt of the actuarial report containing information necessary for the proper accounting treatment and accompanying notes of the Combined Authority’s pension fund.
- 2.4. The revised version shown at appendix A also reflects presentational and disclosure improvements suggested by Committee Members during the workshop discussion.

- 2.5. Subject to any other changes suggested by Members, the attached will be published as the draft version on the Combined Authority's website together with the notice of the exercise of public rights.
- 2.6. As stated in the 26 May report to the Committee, due to the impact of COVID-19 on local authorities, MHCLG made amendments to the required timing of the publication of local authority accounts and of the public inspection requirement, as follows:
- For 2019/20, the requirement for the public inspection period to include the first 10 working days of June (for Category 1 authorities) has been removed. Instead local authorities must commence the public inspection period on or before the first working day of September 2020. This means the draft accounts must be published by 31 August 2020
 - The publication date for final, audited, accounts will move from 31 July (for Category 1 authorities) to 30 November 2020 for all local authority bodies.
- 2.7. The notice of the exercise of public rights states that the documents are unaudited and subject to change and sets out the rights of members of the public and local government electors in the audit process.
- 2.8. Any person may inspect and take copies of the accounts and certain related documents. During this period, the Cambridgeshire and Peterborough Combined Authority electors will be able to ask the external auditor questions on the accounts and are able to object to the accounts.
- 2.9. Following the period of inspection and conclusion of the External Audit, the 2019/20 Statement of Accounts will be brought back to the Committee for final approval in October.

3.0 FINANCIAL IMPLICATIONS

- 3.1. The fee for the planned code work is £26,950. EY's proposed uplift is £2,695 and additional fees are expected to be between £9,000 and £16,000. The total audit fee for the year is therefore expected to be between £38,645 and £45,645. Last year's total fee was £35,350.

The additional fees cover the following:

Value for Money Conclusion significant risk - £3,000 to £6,000

Significant risk – incorrect capitalisation - £1,000 to £2,000

IAS 19 audit of pension disclosures - £2,500 to £4,000

Correspondence from the public - £2,500 to £4,000

- 3.2. All additional code work fees are subject to agreement with the S73 Officer and PSAA.

4.0 LEGAL IMPLICATIONS

4.1. None.

5.0 SIGNIFICANT IMPLICATIONS

5.1. None.

6.0 APPENDICES

6.1. Appendix A – Draft Statement of Accounts 2019/20

<u>Source Documents</u>	<u>Location</u>
None	