

Scotland Excel

To: Executive Sub Committee

On: 18th September 2020

Report by:

Chief Executive of Scotland Excel

Audit Scotland Accounts Submission

1. Summary

- 1.1 The purpose of this report is to update members on the revised timetable for submission of the Scotland Excel annual report and accounts.

2. Background

- 2.1 The annual accounts and reports schedule is set out in advance and would have seen Audit Scotland present its audit opinions at the September 2020 Executive Sub Committee. Covid-19 has had an impact on this schedule and a new proposed timetable has been agreed with Audit Scotland

3. Proposed alterations to reporting

- 3.1 Appendix 1 sets out the proposed timetable received from Audit Scotland and lists some of the challenges faced. It is anticipated that a report will be brought to the November Executive Sub Committee.

4. Recommendations

- 4.1 Members are asked to note the proposed revised timetable by Audit Scotland.

Ms Julie Welsh
Chief Executive
Scotland Excel
Renfrewshire House
Cotton Street
Paisley
PA1 1AR

21 July 2020

Dear Julie

Scotland Excel – Audit Timescales 2019/20

1. As part of our earlier discussions with you I thought it would be helpful for us to set out revised accounts and audit timescales for the 2019/20 financial statements in light of the current Covid-19 emergency.
2. Scottish Government has interpreted provisions within the Coronavirus (Scotland) Act 2020 to modify the Public Finance and Accountability (Scotland) Act 2000 for the financial year ending 31 March 2020 and have extended the administrative deadlines for local government accounts by 2 months. Therefore, Scotland Excel is required to prepare its unaudited 2019/20 accounts by 31 August 2020 and to submit audited accounts by 30 November 2020.
3. In our original audit plan, we agreed that Scotland Excel would present unaudited accounts, and a complete set of supporting working papers, to us by 22 June 2020. The finance team achieved this deadline. However, as a result of the changes to statutory deadlines outlined above, a revised timetable for the key stages of the audit is shown below at [Exhibit 1](#).

Proposed timeline

4. As a result of recent events and the revised agreed date for receipt of the unaudited accounts, we have updated the audit timetable to reflect the ambition of reporting to the Executive Sub Committee by 30 November 2020. If the date of the Executive Sub Committee meeting changes the following dates will be revised as appropriate:

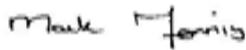
Exhibit 1

Key stage	Date
Agreed date to submit annual report and accounts (with a complete working papers package) for audit.	22 June 2020
Latest date for final clearance meeting with management	October 2020
Issue of Letter of Representation and proposed independent auditor's report	November 2020
Agreement of audited unsigned annual report and accounts	November 2020
Issue of draft annual report to those charged with governance	November 2020
Independent Auditor's Report signed	30 November 2020

Challenges

5. Audit Scotland continues to follow Scottish Government guidance around employees working arrangements and has taken the decision for all staff to continue to work remotely for the foreseeable future. This is a significant change to our normal working arrangements and will present a number of challenges.
6. We are progressing arrangements to adapt to this new way of working which includes establishing arrangements for audit working papers to be available electronically and for an increase in the frequency of virtual meetings with key officers.
7. We acknowledge that working remotely will create pressures for both finance officers and audit staff. The audit process will take longer to complete and there may be challenges in obtaining sufficient and reliable audit evidence in a timely manner, especially when this information is coming from outwith the finance department.
8. We will continue to work closely with officers throughout the audit to meet the revised timescales. Nevertheless, there may be slippages in the process which may result in the proposed dates within the timeline not being met.

Yours sincerely



Mark Ferris

Senior Manager

Cc: by e-mail:

Alan Russell: Director of Finance and Resources, Renfrewshire Council

Alastair MacArthur: Head of Finance, Renfrewshire Council

Christine McCourt: Finance Business Partner, Renfrewshire Council