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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations replace the Local Authority Accounts (Scotland) Regulations 1985.

The principal changes are, first, to introduce requirements that local authorities review at least annually their system of internal financial control and prepare an annual governance statement. Secondly, Part 3 of these Regulations sets out a more detailed process for consideration of local authority Annual Accounts, both prior to and after auditing.

Public rights to inspect financial documents and to object to the accounts are included in the process, with requirements for electronic publication of information to assist persons who wish to exercise those rights.

Regulation 12 adjusts the application of the requirements in these Regulations where a body is regulated as a charity. Section 106 of the Local Government (Scotland) Act 1973 applies the provisions of these Regulations to various bodies, some of which are subject to charity law requirements.