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SCOTTISH STATUTORY INSTRUMENTS

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**2014 No. 200**

**The Local Authority Accounts (Scotland) Regulations 2014**

**PART 3**

**Published accounts and audit**

**Annual Accounts**

**8.—**(1) A local authority must ensure that its Annual Accounts are prepared in accordance with these Regulations and, so far as compatible with these Regulations, in accordance with proper accounting practices.

(2) The Annual Accounts must include, in addition to the financial statements required by proper accounting practices, the following statements, which are to be prepared in accordance with proper accounting practices and recognised guidance—

- (a) a management commentary;
- (b) a statement of responsibilities;
- (c) an annual governance statement;
- (d) either—
  - (i) a remuneration report in the style set out in the Schedule to these Regulations, or
  - (ii) a statement that no remuneration report has been prepared because no persons have received remuneration that requires to be included in such a report.

(3) The Annual Accounts must also include such of the following statements and disclosures as are relevant to the functions of the local authority—

- (a) a housing revenue account;
- (b) a non-domestic rate account;
- (c) a council tax account;
- (d) any other statement relating to statutory funds which is required by any statutory provision.

(4) The remuneration report referred to in paragraph (2)(d)(i) must contain the information set out in the Schedule to these Regulations.

(5) The proper officer must ensure that—

- (a) the statement of responsibilities required by paragraph (2)(b) accurately reflects the proper officer's responsibilities; and
- (b) the financial statements give a true and fair view of the financial position of the local authority and its group at the end of the financial year and the transactions of the local authority and its group for that year.

(6) Once the proper officer is satisfied as to the matters set out in paragraph (5), the proper officer must certify these matters by signing and dating the statement of responsibilities and the balance sheets contained within the Annual Accounts and then submit the Annual Accounts to the auditor.

(7) The Annual Accounts must be submitted to the auditor no later than 30th June immediately following the financial year to which the Annual Accounts relate.

(8) The local authority must publish a copy of the Annual Accounts submitted to the auditor, clearly identified as an unaudited version, on a website of the authority from the date they are submitted until the date on which the audited Annual Accounts are published in accordance with regulation 11.

(9) A local authority or a committee of that authority whose remit includes audit or governance functions must meet to consider the unaudited Annual Accounts as submitted to the auditor.

(10) The meeting referred to in paragraph (9) must be held no later than 31st August immediately following the financial year to which the Annual Accounts relate.

### **Notice of public right to inspect and object to accounts**

**9.—**(1) A local authority must give public notice of the right of interested persons to inspect and object to its accounts, as provided for by section 101 (rights of interested persons to inspect and copy documents and to object to accounts)(1) of the 1973 Act.

(2) In the application of this regulation, in any year in which a date referred to is not a working day, that date is to be read as the date of the next working day.

(3) The notice referred to in paragraph (1) must—

- (a) be given in accordance with section 195 (public notices) of the 1973 Act no later than 17th June immediately following the financial year to which the accounts relate;
- (b) be published on a website of the authority; and
- (c) not be removed from that website during the period throughout which the right to inspect subsists, as described in paragraph (4)(a).

(4) The notice referred to in paragraph (1) must set out the provisions of section 101(1) and (2) of the 1973 Act and state—

- (a) that the accounts and other documents referred to in section 101(1) of the 1973 Act will be available for inspection during the ordinary business hours of the local authority for a period of 15 working days from (and including) the date specified in the notice in accordance with paragraph (5);
- (b) the place or places at which those accounts and other documents will be available and the hours during which they will be available there;
- (c) that no charge will be made for inspection of documents or for copying of them by persons who are inspecting them, with details of any charges that the local authority proposes to make should a person inspecting them wish to be provided with copies;
- (d) the name and address of the auditor; and
- (e) that objections to the accounts may be sent to the auditor at that address until the end of the working day that follows the period described in sub-paragraph (a).

(5) The date specified in the notice in terms of paragraph (4)(a) must be at least 14 days after the date that notice is published, but cannot be later than 1st July in the year in which the notice is published.

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(1) Section 101 is amended by section 10(1) of the Rating and Valuation (Amendment) (Scotland) Act 1984 (c.31) and paragraph 3(8) of schedule 4 to the Public Finance and Accountability (Scotland) Act 2000 (asp 1).

### **Consideration and signing of audited Annual Accounts**

**10.**—(1) A local authority, or a committee of that authority whose remit includes audit or governance functions, must—

- (a) meet to consider the audited Annual Accounts; and
- (b) aim to approve those accounts for signature as described in this regulation no later than 30th September immediately following the financial year to which the accounts relate.

(2) That local authority or committee must consider whether the Annual Accounts should be signed, having regard to any report made on those accounts and any advice given by the proper officer or the auditor.

(3) Immediately following the approval of the Annual Accounts for signature, the statements which form part of those accounts are to be signed and dated as follows—

- (a) the management commentary by the proper officer, the Chief Executive and the Leader of the Council;
- (b) the statement of responsibilities by the Leader of the Council and the proper officer, who must also certify the matters referred to in paragraphs (5) and (6) respectively;
- (c) the annual governance statement by the Chief Executive and the Leader of the Council;
- (d) the remuneration report by the Chief Executive and the Leader of the Council; and
- (e) the balance sheets by the proper officer, to authorise publication of the financial statements.

(4) Where a local authority does not have a Chief Executive or a Leader of the Council, the statements that paragraph (3) requires that person to sign are to be signed by such other person as it nominates for that purpose.

(5) The person who signs the statement of responsibilities as Leader of the Council must certify that the Annual Accounts have been approved for signature by, or on behalf of, the authority.

(6) The proper officer must certify that the financial statements give a true and fair view of the financial position of the local authority and its group at the end of the financial year and the transactions of the local authority and its group for that year.

(7) Following the signature of the Annual Accounts, the proper officer must provide the Annual Accounts, including the signed statements, to the auditor.

(8) Any further report provided by the auditor following the signature of the Annual Accounts which relates to those accounts must be considered by the local authority or a committee of that authority whose remit includes audit or governance functions.

### **Publication of the audited Annual Accounts**

**11.**—(1) The local authority must publish—

- (a) the Annual Accounts for that financial year as signed under regulation 10;
- (b) the certificate placed on the Annual Accounts under section 101(4) of the 1973 Act by the auditor;
- (c) the accounts of all its local authority subsidiary bodies; and
- (d) a copy of every further report provided by the auditor to the authority that relates to the signed Annual Accounts.

(2) A local authority is to publish the documents mentioned in paragraph (1) by making a copy of them, or a link to a copy of them, available on a website of the authority for a period of at least five years and by making copies available for purchase throughout that period on payment of such amount as the authority considers reasonable.

(3) The documents referred to in paragraph (1)(a) to (c) must be published no later than 31st October immediately following the financial year to which they relate, and any report referred to in paragraph (1)(d) must be published no later than the following 31st December.

(4) Paragraph (5) applies where a local authority receives—

- (a) a report sent in terms of section 102(2) of the 1973 Act (reports to Accounts Commission for Scotland by Controller of Audit)(**2**), other than a report with respect only to the matters described in section 102(1)(c) of that Act (best value and community planning);
- (b) a report sent in terms of section 102(4) of that Act (special report by the Controller of Audit with respect to local authority accounts); or
- (c) an order under section 103F(7) of that Act (order of the Scottish Ministers following Accounts Commission recommendations)(**3**).

(5) The local authority must immediately on receipt of any report or order referred to in paragraph (4)—

- (a) publish it in the manner set out in paragraph (2); and
- (b) provide a link to that report or order along with any documents referred to in paragraph (1) that are published on its website, for every financial year to which the report or order relates.

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(2) Section 102(1) and (2) were substituted by section 56 of the Local Government in Scotland Act 2003. There are other amendments to section 102 that are not relevant to these Regulations.

(3) Section 103F was added by section 33(3) of the Ethical Standards in Public Life etc. (Scotland) Act 2000 ([asp 7](#)).