

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO ACCOUNTS AND AUDIT COMMITTEE

Agenda Item No 5

meeting date: 2 APRIL 2014
title: CLOSURE OF ACCOUNTS TIMETABLE 2013/14
submitted by: DIRECTOR OF RESOURCES
principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To remind members of the statutory requirement to closedown our accounts by 30 June 2014 and publish them including any certificate, opinion or report issued by the auditor, by 30 September 2014.
- 1.2 To inform members of the benefits of closing down our accounts by these deadlines, in particular the good governance aspects.
- 1.3 To consider the detailed timetable to be adhered to if we are to achieve the required deadlines.

2 BACKGROUND

- 2.1 The Accounts and Audit Regulations (2003) set out detailed prescription about the format and content of the statement of accounts and allocate certain responsibilities to participants in the accounts production process. In addition the Accounts and Audit Regulations (2006) introduced significant changes to these regulations. Further amendments were also made in 2009 and the regulations were more recently consolidated in 2011.
- 2.2 The Regulations state that authorities must closedown their accounts by the end of June each year. This has important implications for local authorities in terms of planning to ensure critical tasks were met and the approval of accounts carried out by the deadline.

3 THE ACCOUNTS AND AUDIT REGULATIONS

- 3.1 The principal matters covered by the regulations relevant to accounts preparation are:
 - the director of finance must ensure that the accounting records kept by the authority are sufficient to enable the preparation of the statement of accounts
 - the statement of accounts is required to be prepared in accordance with the Regulations and proper practices
 - the director of finance is required to certify that the accounts give a "true and fair view" of the financial position
 - a committee or members meeting as a whole are to approve the accounts as soon as is reasonably practicable
 - an annual review of the effectiveness of internal controls is required, which will feed into a statement on the system of internal control to be included in the statement of accounts (England only)
 - the authority is to advertise electors' rights before the statutory inspection period and upon certification that the audit is complete

- the authority is to allow access to the accounts and specified supporting documents during the public inspection period
- publication of the accounts is to be achieved by particular dates.

The Regulations stipulate various responsibilities for the closure of accounts;

Members	<ul style="list-style-type: none"> • Ensuring adequate and effective financial management • Ensuring that the authority has a sound system of internal control that facilitates the effective exercise of its functions and which includes arrangements for the management of risk • Maintaining an adequate and effective system of internal audit in accordance with proper audit practices (the CIPFA Code of Practice for Internal Audit in Local Government in the UK) • Ensuring that the statement of accounts is prepared in accordance with the Regulations • Approving by a resolution of a committee or members meeting as a whole as soon as is reasonably practicable after audit • Signing and dating of the statement of accounts by the presiding member at the approval
Chief Finance Officer	<ul style="list-style-type: none"> • Determining on behalf of the authority; <ul style="list-style-type: none"> ✓ its accounting records (including the form of accounts and supporting accounting records) ✓ its accounting control systems and ensuring that they are observed and that accounting records are maintained in accordance with 'proper practices' and are kept up to date • Ensuring that accounting records are sufficient to show the authority's transactions and to enable the chief finance officer to ensure that the statement of accounts complies with the Regulations. In particular, the records shall contain: <ul style="list-style-type: none"> ✓ entries from day to day of all monies received and expended and the matters to which the income and expenditure account relates ✓ a record of the assets and liabilities of the authority ✓ a record of income and expenditure in relation to claims for government contributions, grants and subsidies

- Ensuring that accounting control systems include:
 - ✓ measures to ensure financial transactions are recorded as soon as reasonably practicable and as accurately as reasonably possible
 - ✓ measures to enable the prevention and detection of fraud and corruption
 - ✓ the ability to reconstitute any lost records
 - ✓ identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions
 - ✓ procedures to ensure that uncollectable amounts (including bad debts) are not written off except with the approval of the responsible financial officer (RFO) (or their nominee) and that approval is shown in the accounting records
 - ✓ measures to ensure that risk is managed appropriately
- Signing and dating the statement of accounts , no later than 30 June, and certifying that it gives a “true and fair view” of the financial position of the body at the end of the year and its income and expenditure

3.2 The Regulations also contain important procedural requirements for the accounts production process;

- ❖ Authorities are required to publish their accounts as soon as reasonably possible after the auditor has certified the audit closed and in any event no later than **30 September**.
- ❖ The Regulations do not define what constitutes ‘publication’, but do confirm that it must be something more than inclusion in the agenda papers of a council or committee meeting. In previous years we decided to ‘publish’ our accounts on our website. We intend to continue publishing our accounts via this method.
- ❖ Authorities must advertise that the audit has been concluded and that the statement of accounts is available for inspection by the electors including the address at which and the hours during which the accounts are available for inspection and details of where the statement of accounts may be found on the councils web site.
- ❖ The auditor is responsible for appointing a day on which electors may exercise their rights to ask questions about the accounts and make objections and for notifying the authority of the date. The authority must make available for public inspection the accounts and supporting documents for **20 working days** before the auditor’s appointed day.
- ❖ The authority must advertise the inspection period at least **14 days before** it is to commence.

4 GOVERNANCE ISSUES

4.1 The early production of the statement of accounts is an essential element of good governance, therefore enabling members to;

- ❖ Receive assurance that accounting systems have operated adequately and have been closed down satisfactorily
- ❖ Have confidence that the budget for the current year has a secure foundation
- ❖ Understand the corporate financial performance during the year and also the position at 31 March
- ❖ Adopt the statement of accounts

4.2 It is important that members are aware of the comfort gained from having the statement of accounts published and also that this comfort should be provided at the earliest opportunity. If members fully scrutinise the accounts authorities are in an ideal situation:

- ❖ An interested readership will encourage a focus to disclosures
- ❖ A source of challenge for the content and presentation of the statement of accounts
- ❖ Demand for prompt production at the highest level in the authority that will provide muscle to attempts to meet deadlines

5 ISSUES FACING RIBBLE VALLEY

5.1 ***Budget Pressures***

Members will recall the issues in setting the 2014/15 budget and more significantly the forecast savings needed in the future based on the provisional settlement for 2015/16. It is therefore imperative that the accounts for the current year are closed as soon as reasonably practicable in order to inform the budget setting process for 2015/16. We will then be in a position to consider the council's reserves and balances and areas of over/under spending.

5.2 ***Practical Issues***

Last year our accounts were approved by the Accounts and Audit Committee on 26 June 2013. The final accounts, following amendments suggested by our auditors (via their Audit Findings Report), were also approved by the Accounts and Audit Committee on 28 August 2013. This arrangement worked very well with the Committee members able to give due consideration to the accounts and scrutinise areas they felt necessary.

The Accounts and Audit Regulations 2011 removed the requirement for this committee to approve the statement of accounts by the 30 June following the end of the financial year. The new requirement is for the responsible financial officer to sign and date the statements as a 'true and fair view' by no later than the 30 June.

At the time of this change, it was agreed that as good practice we would continue to seek member approval at this committee before the end of June. Therefore the statement of accounts will be presented at the next meeting of this committee on Wednesday 25 June 2014 for approval. This will be prior to the commencement of the external audit, which starts on the 30 June.

The amended final accounts, following adjustments agreed with our auditors, will need to be approved by the end of September. Once again our external auditors are seeking to sign off the council's statement of accounts early and as a result the audited statement of accounts will be brought back to this committee on Wednesday 27 August 2014 for approval. It is important that all members endeavour to attend in order to ensure that the meeting is quorate.

5.3 ***Resource Implications***

It should be stressed that the timetable attached assumes a full complement of accountancy staff. However, there are not anticipated to be the same level of amendment to the accounts as seen in some of the previous years.

5.4 **Timetable**

Based on our past experience, the availability of our external auditors and the statutory deadlines we have determined a timetable for the closure of our accounts, attached at Annex 1. We firmly believe it is important that all staff are aware of the importance of achieving these deadlines and understand the vital roles they also play. As you will see from the timetable, a number of tasks have already begun or been completed.

You will see this timetable is considerably detailed and clearly indicates who is responsible for which actions. We have used our experience from last year's closure to inform this year's deadlines. Again we intend to monitor when we actually achieve each individual task in order to inform future timetables.

6 RECOMMENDED THAT COMMITTEE

6.1 Endorse the suggested approach for the closure of the 2013/14 accounts.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

AA3-14/LO/AC
19 March 2014

For further information please ask for Lawson Oddie.

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
1	Tues	11-Mar-14	Send Request for all utilities meter readings to be taken as at 31 March 2014	Robin Bramhall	Kay Plant Terry Longden Tim Lynas		
2	Thurs	13-Mar-14	Update Intranet pages relating to the Closure of the Accounts.	Amy Johnson	Kay Plant		
3	Fri	14-Mar-14	All staff responsible for entering year end invoices onto Financials to have been contacted and any training required arranged.	Karen Anderson			
4		17 – 28 Mar 2014	Grant Thornton on site. Interim Audit looking at Financial Systems work	Lawson Oddie			
5	Wed	19-Mar-14	Circulation of closure memo and estimated creditor/debtor sheets	Amy Johnson			
6	Fri	21-Mar-14 and on-going	Review of “open” purchase orders , i.e. cancel/match up to invoice/keep under review to accrue	Robin Bramhall	Trudy Holderness Louise Ashcroft Amy Johnson		
7	Thurs	27-Mar-14	Review credit balances on Debtors prior to final run of Creditor Payments	Karen Anderson	Liz Nash/Alison Carins		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
8	Thurs	27-Mar-14	Review disputed creditor invoices and debit balances prior to final run of Creditor Payments	Karen Anderson	Liz Nash/Alison Carins		
9	Thurs	27-Mar-14	Last payment run BACS/cheque dated 31 March 2014. Payment run to include ALL outstanding creditor payments (excluding disputed payments)	Karen Anderson	Alice Hydes		
10	Mon	31-Mar-14	<u>ALL stock takes</u> to be carried out: <ul style="list-style-type: none"> • General Stores (Depot) • Paper • Canteen Stock • Civic Regalia 	Trudy Holderness	Helen Smith Helen Bolton Irene Williamson Olwen Heap		
11	Mon	31-Mar-14	<u>ALL stock takes</u> to be carried out: <ul style="list-style-type: none"> • Pool • Gallery/TIC 	Robin Bramhall	Colin Winterbottom		
12	Mon	31-Mar-14	<u>ALL stock takes</u> to be carried out: <ul style="list-style-type: none"> • Pest Control 	Amy Johnson	Karen Kenyon		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
13	Mon	31-Mar-14	All relevant staff to have been contacted to notify them that all Goods Received Notes must be entered on to the Purchasing system where goods or services have been received by the end of the day on 31 March 2014	Louise Ashcroft	All staff responsible for purchasing		
14	Mon	31-Mar-14	Ensure Creditor and Debtor Reconciliation reports balance.	Karen Anderson	Liz Nash/Alison Carins		
15	Mon	31-Mar-14	Ensure All Creditor batches are closed and authorised and that Debtor invoices have all been authorised	Karen Anderson	Liz Nash/Alison Carins		
16	Mon	31-Mar-14	Ensure All Purchase Order requisitions are approved and authorised	Louise Ashcroft	All staff responsible for purchasing		
17	Mon	31-Mar-14	Enter final emergency schedule for the year on to Creditors	Karen Anderson	Karen Keenan/Carole Malone		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
18	Mon	31-Mar-14	Bank Transfer to be undertaken between General Account and Disbursements Account	Karen Anderson	Trudy Holderness Kay Plant		
19	Mon	31-Mar-14	Ensure Creditors/Debtors balance reports & Aged Debtors reports are set to run at overnight	Karen Anderson			
20	Mon	31-Mar-14	<p>All income to be paid in to cash office (cards, cheques & cash) – See later instruction for any further income received on the 31 March after this paying-in:</p> <ul style="list-style-type: none"> ❖ Level D reception/Planning ❖ Pool ❖ TIC/Gallery ❖ Car Parks 	Sally Mason/Val Taylor	Jane Tucker Colin Winterbottom Stephanie Hibbert / Dominique Dunand-Clarke Heather Yates		
21	Mon	31-Mar-14 (PM)	Print Bank Statement from HSBCnet and pass to cash office to allow for processing of any items in the bank account	Trudy Holderness Kay Plant	Michelle West		

Timetable for Closure of 2013/14 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
22	Mon	31-Mar-14 (PM)	Send email to all staff asking them not to use the purchasing, creditors or debtors modules of the Financials system until notified.	Karen Anderson			
23	Tues	1-Apr-14 (AM)	Send REMINDER email to all staff asking them not to use the purchasing, creditors or debtors modules of the Financials system until notified.	Karen Anderson			
24	Tues	01-Apr-14	Change settings on creditor and debtor transaction codes: crinv, crvat, crcrn, crcre, crcvt, dbinv, dbvat, dbrn, dbcvt	Lawson Oddie			
25	Tues	01-Apr-14	Change default year and budget settings – including funds checking budget for purchasing.	Lawson Oddie			

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
26	Tues	01-Apr-14	All staff responsible for petty cash books/floats/receipts to have brought them to the Accounts Section.	Sally Mason/Val Taylor	Lynne Calver Lesley Lund Irene Williamson Helen Smith Katherine Rodgers Colin Winterbottom Rachael Stott		
27	Tues	01-Apr-14	Last date for the receipt of office staff capital timesheets for charging to capital schemes	Kay Plant	All capital scheme lead officers		
28	Tues	01-Apr-14	Last date for the receipt of Grounds Maintenance timesheets.	Kay Plant	Alan Boyer		
29	Tues	01-Apr-14	Last date for the receipt of Works Administration and Vehicle Workshop timesheets.	Sally Mason/Val Taylor	Terry Longden		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
30	Tues	01-Apr-14	Roll Forward purchase order commitments to new financial year and provide reports to Accountants	Robin Bramhall	Louise Ashcroft		
31	Tues	01-Apr-14	Finalise PWLB interest and average interest rate for investments	Trudy Holderness			
32	Tues	01-Apr-14	<p>All remaining income (received after the final paying-in previously made on 31 March 2014) up to the close of 31 March 2014 to be paid in to cash office (cards, cheques & cash):</p> <ul style="list-style-type: none"> ❖ Level D reception/Planning ❖ Pool ❖ TIC/Gallery ❖ Car Parks 	Sally Mason/Val Taylor	Jane Tucker Colin Winterbottom Stephanie Hibbert / Dominique Dunand-Clarke Heather Yates		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
33	Tues	01-Apr-14	Income analysis sheets for Pool, TIC/Gallery to be passed to Val Taylor/Sally Mason for period up to and including 31 March 2014	Sally Mason/Val Taylor	Colin Winterbottom (Pool) Stephanie Hibbert / Dominique Dunand-Clarke (TIC and Gallery)		
34	Tues	01-Apr-14	Request information from Ribble Valley Homes for VAT shelter arrangement	Amy Johnson			
35	Tues	01-Apr-14	Cash office to have processed any remaining balances on all bank statements up to 31 March 2014	Sally Mason/Val Taylor	Michelle West		
36	Wed	02-Apr-14	Completed Statement 1's & 2's up to & incl. 31 March 2013 to be passed to Val Taylor/Sally Mason and thereafter on a daily basis	Sally Mason/Val Taylor	Michelle West		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
37	Thu	03-Apr-14	Last date for receipt of completed and authorised stock sheets : <ul style="list-style-type: none"> • Stores • Paper • Canteen Stock • Civic Regalia 	Trudy Holderness	Helen Smith Helen Bolton Irene Williamson Olwen Heap		
38	Thu	03-Apr-14	Last date for receipt of completed and authorised stock sheets : <ul style="list-style-type: none"> • Pool • Gallery/TIC 	Robin Bramhall	Colin Winterbottom		
39	Thu	03-Apr-14	Last date for receipt of completed and authorised stock sheets : <ul style="list-style-type: none"> • Pest Control 	Amy Johnson	Karen Kenyon		
40	Thu	03-Apr-14	Last date for receipt of Council Tax and Business Rates prints	Kay Plant	Mark Edmondson		
41	Fri	04-Apr-14	All sundry debtor control sheets for 2013/14 financial year to have been received in the Accounts Office	Karen Anderson	All staff		
	Mon	07-Apr-14	Last day for receipt of holiday and lieu time records from PAs	Amy Johnson	Averil Crowther Irene Williamson Lynne Calver Colin Winterbottom Helen Smith		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
43	Tues	08-Apr-14	Completion of all system reconciliations: <ul style="list-style-type: none"> • Council Tax • NNDR 	Kay Plant			
44	Tues	08-Apr-14	Last date for receipt of estimated debtor sheets	Amy Johnson	All staff		
45	Wed	09-Apr-14	Entry of year end cash journals	Sally Mason/Val Taylor			
46	Weds	09-Apr-14	Bank reconciliation to have been completed and authorised	Sally Mason/Val Taylor			
47	Thurs	10-Apr-14	Last day for entering old year invoices on Financials	Karen Anderson	All staff		
48	Fri	11-Apr-14	Last day for receipt of estimated creditor sheets	Amy Johnson	All staff		
49	Wed	16-Apr-14	Receipt of IAS19/FRS17 information from Lancashire County Council	Lawson Oddie			

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
50	Thurs	17-Apr-14	All suspense accounts to be cleared	Robin Bramhall Trudy Holderness Amy Johnson			
51	Thurs	17-Apr-14	General Stores to be finalised	Kay Plant	Helen Smith		
52	Fri	18-Apr-14	Good Friday				
53	Mon	21-Apr-14	Easter Monday				
54	Mon	28-Apr-14	Decision taken on assets to be added/written off	Lawson Oddie			
55	Fri	02-May-14	<p>Central establishment and other recharges to have been completed by:</p> <ul style="list-style-type: none"> • Council Offices • Bank Charges • Organisation & Member Development • Financial Services • IT Services • Chief Executives • Revenue Services • Contact Centre • Legal Services • Capital Charges 	Trudy Holderness			

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
56	Fri	02-May-14	Central establishment and other recharges to have been completed by: <ul style="list-style-type: none"> • Depot • Community Services • Grounds Maintenance • Vehicles and Plant • Balances on WKSAD and VEHCL 	Robin Bramhall			
57	Fri	02-May-14	Central establishment and other recharges to have been completed by: <ul style="list-style-type: none"> • Use of Market Buildings 	Amy Johnson			
58	Fri	02-May-14	Closedown collection fund - TBC	Lawson Oddie			
59	Fri	02-May-14	Capital accounts finished and journals entered	Lawson Oddie	Amy Johnson		
60	Mon	05-May-14	May Day				
61	Tues	06-May-14	IAS19/FRS17 adjustment journals (as required) to be entered by	Lawson Oddie			
62	Wed	14-May-14	Interest allocated	Trudy Holderness			

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
63	Wed	14-May-14	Service committee accounts to be finished and general fund summary account complete:				
			Policy & Finance Development Services	Trudy Holderness			
			Community Services	Robin Bramhall			
			Health & Housing	Amy Johnson			
64	Fri	16-May-14	Annual Governance Statement to be produced by and agreed with the Director of Resources	Salma Farooq			
65	Mon	19-May-14	Send AGS to Leader and CE for signing	Salma Farooq			
66	Wed	21-May-14	Produce I&E A/C, Balance sheet	Lawson Oddie			
67	Thurs	22-May-14	European Elections				
68	Mon	26-May-14	Spring Bank Holiday				
69	Fri	30-May-14	Produce notes to the accounts	Lawson Oddie			

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
70	Fri	06-Jun-14	Complete all other associated statements cash flow / Movement in Reserves Statement	Lawson Oddie	Amy Johnson		
71	By Mon	09-Jun-14	Clitheroe Advertiser and Times to be contacted in order to Advertise accounts available for inspection from 30 June 2014 (Thursday 12 June 2014 edition)	Lawson Oddie	Averil Crowther		
72	Tues	10-Jun-14	Complete Explanatory Foreword	Lawson Oddie			
73	Tues	10-Jun-14	Statement of Accounts to be completed	Lawson Oddie			
74	Mon	16-Jun-14	Distribution date for Accounts and Audit Committee	Lawson Oddie			
75	Wed	25-Jun-14	Accounts and Audit Committee meeting to approve accounts	Jane Pearson	Lawson Oddie		
76	Mon	30-Jun-14	Period of public inspection starts (20 working days before appointed day)	Lawson Oddie			

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
77	Mon	30-Jun-14	Grant Thornton commence final accounts audit	Grant Thornton			
78	Fri	11-Jul-14	Revenue Outturn Forms to be completed by	Amy Johnson			
79	Mon	28-Jul-14	WGA Return to be completed by (Unaudited)	Amy Johnson			
80	Thurs	31-Jul-14	Clearance meeting with Grant Thornton	Jane Pearson Lawson Oddie	Grant Thornton		
81	Fri	01-Aug-14	Grant Thornton appointed day	Grant Thornton			
82	Mon	11-Aug-14	Complete Audit Findings Report adjustments and issue final Statement of Accounts to Grant Thornton	Lawson Oddie	Grant Thornton		
83	Mon	18-Aug-14	Distribution Date for Accounts and Audit Committee	Lawson Oddie	Grant Thornton		
84	Mon	25-Aug-14	August Bank Holiday				
85	Wed	27-Aug-14	Accounts and Audit Committee meeting to consider the audit Findings Report and approve amended Final Accounts	Jane Pearson	Lawson Oddie Grant Thornton		

**Timetable for Closure of 2013/14
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
86	Mon	01-Sept-14	Receipt of Accounts opinion from Grant Thornton (DRAFT – to be confirmed)	Lawson Oddie	Grant Thornton		
87	Tues	02-Sep-14	Accounts to be published on website by	Lawson Oddie	Kay Plant		
88	Fri	05-Sep-14	Summary Accounts to be prepared and published on website by	Lawson Oddie	Amy Johnson Kay Plant		
89	Fri	26-Sep-14	Whole of Government Accounts return (audited) to be completed by	Amy Johnson			