

Audit Committee

4 April 2013

Final Accounts Timetable for the year ended 31 March 2013



Don McLure, Corporate Director Resources

Purpose of the Report

- 1 The purpose of the report is to provide Members with the Final Accounts Timetable for 2012/13. This timetable details the deadlines for key actions to complete the Statement of Accounts in line with statutory deadlines.
- 2 The report is presented in accordance with paragraph 4.2.3 of the Committee's operational terms of reference which requires it **'to maintain an understanding of internal and external reporting requirements'**.
- 3 The Final Accounts Timetable is attached at Appendix 2.

Background

- 4 The 'Accounts and Audit Regulations 2011' introduced a two stage approval process for the Statement of Accounts; the first stage is in June each year. The Regulations require that the responsible financial officer, by no later than 30 June, signs and certifies that the Statement of Accounts presents a true and fair view of the financial position of the County Council for the year to 31 March previous, subject to the views of the External Auditor.
- 5 The second stage, as set out in the Regulations, requires that on or before the 30 September, approval needs to be given to the Statement of Accounts by resolution of a committee, which for Durham County Council is the Audit Committee. This approval will take into account the views of the External Auditor. This is done so that the Statement of Accounts can then be published.
- 6 In order to ensure that the County Council can meet these statutory deadlines, the process of 'closing the accounts' must be closely managed and monitored.
- 7 The Annual Governance Report (AGR) for 2010/11 produced by External Audit recommended that the County Council

"Ensure closedown arrangements are managed against a close down plan, clearly identifying roles, responsibilities and target dates."

- 8 The Final Accounts timetable is therefore a combination of the implementation of External Audit's recommendations and a tool for the effective management and monitoring of the final accounts process.

The Timetable

- 9 Each year the timetable is compiled in Strategic Finance with input from Service Groupings to ensure that deadlines are achievable and will lead to completion of a Statement of Accounts for signing by the Section 151 Officer by 30 June. The impact of new and amended processes upon achievement of deadlines is considered, as well as reference to the previous year's problems and meeting of deadlines.
- 10 Strategic Finance monitors the achievement of the dates in the timetable throughout the period February to September. Although every effort is made to meet every deadline set, there will inevitably be some delays that will lead to some of the deadlines being missed.
- 11 Strategic Finance will follow up all delays and missed deadlines to ensure that the overall timetable will be achieved and identify improvements that can be made to the following year's Final Accounts process.
- 12 Final Accounts Monitoring Meetings are also held each week during April to May to ensure that practitioners apply accounting procedures consistently; best practice is shared; there is a shared understanding of any difficulties or delays that are happening and to disseminate updated information quickly and consistently. These meetings are not shown in the timetable, but happen each Thursday.
- 13 This was the process that was in operation for the closedown of 2011/12 Accounts, which successfully produced the Statement of Accounts in line with the statutory deadline. However, the intention is to improve performance.
- 14 The production of the working papers were of particular concern in the AGR for 2011/12 and the deadline for the production of these has been included in the timetable.
- 15 Another area of concern was the lack of time to complete an effective analytical review of the Statement of Accounts. Being able to do this should reduce the number of errors. Time for undertaking an analytical review has been built into this timetable, which necessitated changes to the deadlines set for 2011/12.

Recommendations and reasons

- 16 Members are asked to note the Final Accounts Timetable for 2012/13 detailed in Appendix 2.

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Appendix 1: Implications

Finance –

There are no direct financial implications arising for the Council as a result of this report, although by implementing the timetable, we are demonstrating efficient arrangements for the proper administration of the County Council's financial affairs and will meet the statutory deadline for the production of the Statement of Accounts.

Staffing -

None

Risk -

This report requires no decision and so a risk assessment has not been carried out

Equality and Diversity / Public Sector Equality Duty -

None

Accommodation -

None

Crime and Disorder -

None

Human Rights -

None

Consultation -

None

Procurement -

None

Disability Discrimination Act -

None

Legal Implications -

None