

AUDIT AND RISK COMMITTEE

8 May 2012

Update on the Production of the Statement of Accounts 2011/12

Report of the Strategic Director for Resources

STRATEGIC AIM:	All
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1. PURPOSE OF THE REPORT

- 1.1 To inform the Committee of the key dates related to the production of the Statement of Accounts for 2011/12

2. RECOMMENDATIONS

- 2.1 That the Committee notes the contents of this report.

3. REASONS FOR THE RECOMMENDATIONS

- 3.1 To ensure that the Committee is aware of plans in place to ensure effective and timely closure of accounts and to remind the Committee of their role in the process.

4. APPROVAL OF THE ACCOUNTS

- 4.1 The Statement of Accounts (SoA) must be approved by 30 June, for submission to the external auditor. Up until 2009/10 it was the responsibility of this Committee to approve the draft accounts, but this requirement was made redundant by the Accounts and Audit (England) Regulations 2011 which made it the responsibility of the Chief Financial Officer to certify the SoA by 30 June each year.
- 4.2 It is the responsibility of the Audit and Risk Committee to consider the SoA, after examination by the external auditor, and to approve it no later than 30 September.
- 4.3 The Government's response to the consultation sets out the key themes and views raised during the consultation and what is now proposed for the new arrangements for audit of principal public bodies.

5. THE CLOSURE PROCESS AND KEY DATES

- 5.1 A detailed timetable has been produced which includes all elements of the closure process as well as reporting deadlines. A weekly progress meeting is held to identify any problems and/or delays, and these are escalated if necessary.
- 5.2 The key dates for members to be aware of are as follows:
- 12 June 2012: Q4 Financial Monitoring report presented to Cabinet
 - 19 June: Audit and Risk Committee meeting – an update on the SoA process will be provided

- 30 June 2012: certification of the draft SoA by the Chief Finance Officer for submission to the external auditor
- 2 July 2012: External Audit process commences
- 3 July 2012: Financial Outturn position reported to Cabinet – this will be an expansion of the Q4 report to include all year-end adjustments and demonstrate how the outturn position reconciles to the Income and Expenditure Account within the SoA.
- 25 September 2012: Final, audited SoA presented to Audit and Risk Committee for approval, along with the Audit Commission’s Annual Governance Report.
- 30 September: Audit opinion issued and SoA published

5.3 In addition to the formal presentation of the SoA to the Audit and Risk Committee, it is intended that a briefing session will be held in advance of the formal meeting. This was provided last year and the feedback was positive in terms of providing members with a good enough understanding of the SoA to undertake their role effectively.

6. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Medium	The closedown timetable is always challenging but it is being well managed in order to meet the key deadlines.
Viability	Low	There are no direct implications within this report
Finance	High	The Statement of Accounts summarise the financial performance and position of the Authority at 31 March 2012.
Profile	Medium	Although the financial position of the Authority is high profile at the current time, there is less public interest in the Statement of Accounts.
Equality and Diversity	Low	Equality Impact Assessment completed, there are no particular issues from this report.

Background Papers

Forward Plan
Closure of Accounts Timetable 2011/12

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A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.