

Cherwell District Council
Accounts, Audit and Risk Committee

26 March 2015

Closedown Update 2014-15

Report of the Head of Finance and Procurement

This report is public

Purpose of report

To inform members of the progress under which the Council prepares its annual Statement of Accounts together with the summary timetable for production.

1.0 Recommendations

The Accounts, Audit and Risk Committee is recommended:

- 1.1 To approve the closedown timetable summary as set out in Appendix 1.
- 1.2 To approve the response to external audit's request for management assurances from Those Charged With Governance in Appendix 2.

2.0 Introduction

This report is to inform members of the process and the progress for the 2014-15 Statement of Accounts.

3.0 Report Details

- 3.1 Work has already begun on preparing for the 2014-15 closing of accounts. The process is being led by the Corporate Accountant. The detailed closedown timetable has been prepared for all staff involved in the closedown process and a summary of the key dates is shown in Appendix 1.
- 3.2 Closedown workshops will be held on 11 March 2015 and budget holders will receive guidance on what is required from their services. Closedown News will be circulated fortnightly and this will provide an update on the preparation of the financial statements.
- 3.3 During the period the finance team will liaise with the external auditor, Ernst & Young and have regular closedown meetings with the Head of Finance and Procurement to monitor progress.

- 3.4 The finance team will produce a first draft of the statements by 20 May 2015. This allows a period of four weeks for critical review and updating.
- 3.5 Members of the Audit Committee meet informally on 24 June to review the draft statement immediately prior to the formal committee meeting.
- 3.6 Auditing standards require external audit to formally update their understanding of the Council's management processes and arrangements each year. They do this by asking the Audit Committee (as Those Charged with Governance) a series of questions surrounding the Council's management arrangements.
- 3.7 The response to these questions is contained in Appendix 2. This has been reviewed by the Head of Internal Audit, the Monitoring Officer and the Head of Finance and Procurement.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The Audit Committee is recommended to note the progress in preparation of the Accounts for 2014-15 and to approve the response to external audit on the Council's management arrangements.

5.0 Consultation

None

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To request that Officers provide additional information on the accounting policies. This had been rejected because the policies have been drafted based on current accounting guidance.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no financial implications arising directly from this report. However, failure to produce draft accounts in accordance with the timetable may result in additional external audit fees.

Comments checked by: Denise Taylor, Corporate Accountant
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Legal Implications

- 7.2 Failure to produce accounts under compliant accounting policies will result in the 2014-15 Annual Statement of Accounts not being approved by the external auditor.

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Risk Management Implications

- 7.3 Failure to produce accounts in accordance with the timetable may result in the 2014-15 Annual Statement of Accounts not being compliant for external audit review.

Comments checked by: Denise Taylor, Corporate Accountant
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8.0 Decision Information

Wards Affected

n/a

Links to Corporate Plan and Policy Framework

n/a

Lead Councillor

None

Document Information

Appendix No	Title
Appendix 1	2014-15 Closedown Timetable Summary
Appendix 2	Those Charged With Governance's response to external audit's request for management assurances
Background papers	
None	
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