

# RIBBLE VALLEY BOROUGH COUNCIL

## REPORT TO ACCOUNTS AND AUDIT COMMITTEE

Agenda Item No 5

meeting date: 27 MARCH 2013  
title: CLOSURE OF ACCOUNTS TIMETABLE 2012/13  
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 2013 and publish them including any certificate, opinion or report issued by the auditor, by 30 September 2013.
- 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 have more recently been 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**

- 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**

- Determining on behalf of the authority;
  - ✓ 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:
  - ✓ 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 2013/14 budget and more significantly the forecast savings needed in the future based on the provisional settlement for 2014/15. 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 2014/15. 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 27 June 2012. The final accounts, following amendments suggested by our auditors (via their Annual Governance Report), were also approved by the Accounts and Audit Committee on 22 August 2012. 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.

However, it was agreed two years ago at this committee 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 26 June 2013 for approval. This will be prior to the commencement of the external audit, which starts on the 1 July.

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 28 August 2013 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 the past two years with the introduction of International financial Reporting Standards and also the treatment of Heritage Assets.

#### 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 2012/13 accounts.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES

AA4-13/LO/AC  
15 March 2013

For further information please ask for Lawson Oddie.

**Timetable for Closure of 2012/13  
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
1		4 – 22 Feb 2013	Grant Thornton – Helen Palmer etc. on site. <b>Interim Audit</b> looking at Financial Systems work	Lawson Oddie			
2	Fri	15-Mar-13	Circulation of <b>closure memo</b> and <b>estimated creditor/debtor sheets</b>	Amy Johnson			
3	Fri	15-Mar-13	All staff responsible for entering year end invoices onto Financials to have been contacted and any training required arranged.	Karen Blackburn			
4	Fri	22-Mar-13	<b>Review of “open” purchase orders</b> , i.e. cancel/match up to invoice/keep under review to accrue	Robin Bramhall	Trudy Holderness Louise Ashcroft Amy Johnson		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
5	Weds	27-Mar-13	Last <b>cheque</b> run BACS/cheque dated 28 March 2013	Karen Blackburn	Alice Hydes		
6	Thurs	28-Mar-13	<u>ALL stock takes</u> to be carried out: Stores Paper Canteen Stock Civic Regalia	Trudy Holderness	Helen Smith Helen Bolton Irene Williamson Olwen Heap		
7	Thurs	28-Mar-13	<u>ALL stock takes</u> to be carried out: Pool Gallery/TIC	Robin Bramhall	Colin Winterbottom		
8	Thurs	28-Mar-13	<u>ALL stock takes</u> to be carried out: Pest Control	Amy Johnson	Karen Thompson		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
9	Thurs	28-Mar-13	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 31 March 2013	Louise Ashcroft	All staff responsible for purchasing		
10	Thurs	28-Mar-13	Ensure Creditor and Debtor Reconciliation reports balance.	Karen Blackburn	Liz Nash/Alison Carins		

### Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
11	Thurs	28-Mar-13	Ensure All Creditor batches are closed and authorised and that Debtor invoices have all been authorised	Karen Blackburn	Liz Nash/Alison Carins		
12	Thurs	28-Mar-13	Bank Transfer to be undertaken between General Account and Disbursements Account	Karen Blackburn	Trudy Holderness		
13	Thurs	28-Mar-13	Ensure <b>Creditors/Debtors balance reports &amp; Aged Debtors</b> reports are set to run at overnight on the Sunday	Lawson Oddie	Karen Blackburn		
14	<b>Fri</b>	<b>29-Mar-13</b>	<b>Good Friday</b>				

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
15	<i>Mon</i>	<i>01-Apr-13</i>	<i>Easter Monday</i>				
16	Tues	02-Apr-13	Change settings on creditor and debtor transaction codes: crinv, crvat, crcrn, crcre, crcvt, dbinv, dbvat, dbrn, dbcvt	Lawson Oddie			
17	Tues	02-Apr-13	Change default year and budget settings – including funds checking budget for purchasing.	Lawson Oddie			
18	Tues	02-Apr-13	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		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
19	Tues	02-Apr-13	Last date for the receipt of <b>office staff capital timesheets</b> for charging to capital schemes	Kay Plant	All capital scheme lead officers.		
20	Tues	02-Apr-13	Last date for the receipt of <b>Grounds Maintenance timesheets.</b>	Kay Plant	Alan Boyer		
21	Tues	02-Apr-13	Last date for the receipt of <b>Works Administration and Vehicle Workshop timesheets.</b>	Sally Mason/Val Taylor	Terry Longden		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
22	Tues	02-Apr-13	Roll Forward purchase order commitments to new financial year and provide reports to Accountants	Robin Bramhall	Louise Ashcroft		
23	Tues	02-Apr-13	<b>Finalise</b> PWLB <b>interest</b> and average interest rate for investments	Trudy Holderness			
24	Tues	02-Apr-13	<p><b>All income up to 31 March 2013 to be paid in to cash office (cards, cheques &amp; cash):</b></p> <ul style="list-style-type: none"> <li>❖ <b>Level D reception</b></li> <li>❖ <b>Pool</b></li> <li>❖ <b>TIC/Gallery</b></li> <li>❖ <b>Car Parks</b></li> <li>❖ <b>Vending Machines</b></li> </ul>	Sally Mason/Val Taylor	Jane Tucker Colin Winterbottom Colin Winterbottom Heather Yates Bethany Taylor		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
25	Tues	02-Apr-13	Income analysis sheets for Pool, TIC/Gallery to be passed to Val Taylor/Sally Mason for period up to and including 31 March 2013	Sally Mason/Val Taylor	Colin Winterbottom (Pool)  Stephanie Hibbert/Katherine Rodgers (TIC/Gallery)		
26	Tues	02-Apr-13	Request information from Ribble Valley Homes for VAT shelter arrangement	Amy Johnson			
27	Tues	02-Apr-13	Cash office to have processed all bank statements up to 31 March 2013	Sally Mason/Val Taylor	Michelle West		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
28	Wed	03-Apr-13	Entry of year end cash journals	Sally Mason/Val Taylor			
29	Wed	03-Apr-13	Completed <b>Statement 1's &amp; 2's</b> 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		
30	Thu	04-Apr-13	Last date for receipt of completed and authorised <b>stock sheets</b> :  Stores Paper Canteen Stock Civic Regalia	Trudy Holderness	Helen Smith Helen Bolton Irene Williamson Olwen Heap		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
31	Thu	04-Apr-13	Last date for receipt of completed and authorised <b>stock sheets:</b>  Pool  Gallery/TIC	Robin Bramhall	Colin Winterbottom		
32	Thu	04-Apr-13	Last date for receipt of completed and authorised <b>stock sheets:</b>  Pest Control	Amy Johnson	Karen Thompson		
33	Thu	04-Apr-13	Last date for receipt of <b>council tax/NNDR</b> prints	Kay Plant	Mark Edmondson		
34	Thu	04-Apr-13	All <b>sundry debtor control sheets</b> for 2012/13 to have been passed to the Accounts Section	Karen Blackburn	All staff		
35	Tues	09-Apr-13	Completion of all <b>system reconciliations:</b>  Council NNDR  Tax	Kay Plant			

**Timetable for Closure of 2012/13  
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
36	Tues	09-Apr-13	Last date for receipt of estimated <b>debtor</b> sheets	Amy Johnson	All staff		
37	Tues	09-Apr-13	Last day for receipt of holiday and lieu time records from PAs (for IFRS)	Amy Johnson	Irene Williamson Lynne Calver		
38	Tues	09-Apr-13	Bank reconciliation to have been completed and authorised	Sally Mason/Val Taylor			
39	Thurs	11-Apr-13	Last day for <b>entering old year invoices</b> on Financials	Karen Blackburn	All staff		
40	Thurs	11-Apr-13	Last day for receipt of <b>estimated creditor</b> sheets	Amy Johnson	All staff		

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
41	Wed	01-May-13	Receipt of <b>IAS19/FRS17 information</b> from Lancashire County Council	Lawson Oddie			
42	Wed	01-May-13	Decision taken on <b>assets to be added/written off</b>	Lawson Oddie			
43	<b>Thurs</b>	<b>02-May-13</b>	<b>County Elections</b>				

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
44	Fri	03-May-13	<p><b>Central establishment and other recharges to have been completed by:</b></p> <p>Council Offices Bank Charges Organisation &amp; Member Development Financial Services IT Services Chief Executives Revenue Services Legal Services Capital Charges</p>	Trudy Holderness			
45	Fri	03-May-13	<p><b>Central establishment and other recharges to have been completed by:</b></p> <p>Depot Community Services Grounds Maintenance</p>	Robin Bramhall			

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
46	Fri	03-May-13	Central establishment and other recharges to have been completed by:  Use of Market Buildings	Amy Johnson			
47	<b>Mon</b>	<b>06-May-13</b>	<b>May Day</b>				
48	Tues	07-May-13	IAS19/FRS17 adjustment journals (as required) to be entered by	Lawson Oddie			
49	Fri	10-May-13	Closedown collection fund	Lawson Oddie			
50	Fri	10-May-13	Capital accounts finished and journals entered	Lawson Oddie	Amy Johnson		
51	Wed	15-May-13	Interest allocated	Lawson Oddie			

### Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
52	Wed	15-May-13	<b>Service committee accounts to be finished</b> and general fund summary account complete:				
			Policy & Finance Development Services	Trudy Holderness			
			Community Services	Robin Bramhall			
			Health & Housing	Amy Johnson			
53	Fri	17-May-13	<b>Annual Governance Statement</b> to be produced by and agreed with the Director of Resources	Mick Ainscow			
54	Mon	20-May-13	Send <b>AGS</b> to Leader and CE for signing	Mick Ainscow			
55	Thurs	23-May-13	Produce <b>I&amp;E A/C, Balance sheet</b>	Lawson Oddie			
56	<b>Mon</b>	<b>27-May-13</b>	<b>Spring Bank Holiday</b>				
57	Fri	31-May-13	Produce <b>notes to the accounts</b>	Lawson Oddie			

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
58	Thurs	06-Jun-13	Complete all other <b>associated statements</b> cash flow / Movement in Reserves Statement	Lawson Oddie	Amy Johnson		
59	By Mon	10-Jun-13	<b>Clitheroe Advertiser and Times to be contacted in order to Advertise accounts available for inspection</b> from 1 July 2013 (Thursday 13 June 2013 edition)	Lawson Oddie			
60	Tues	11-Jun-13	<b>Complete Explanatory Foreword</b>	Lawson Oddie			
61	Tues	11-Jun-13	<b>Statement of Accounts</b> to be completed	Lawson Oddie			

**Timetable for Closure of 2012/13  
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
62	Mon	17-Jun-13	Distribution date for <b>Accounts and Audit Committee</b>	Lawson Oddie			
63	Wed	26-Jun-13	<b>Accounts and Audit Committee</b> meeting to approve accounts	Jane Pearson	Lawson Oddie		
64	Mon	01-Jul-13	Period of <b>public inspection</b> starts (20 working days before <b>appointed day</b> )	Lawson Oddie			
65	Mon	01-Jul-13	Grant Thornton commence final accounts <b>audit</b>	Grant Thornton			
66	Fri	12-Jul-13	Revenue Outturn Forms to be completed by	Amy Johnson			
67	Mon	29-Jul-13	WGA Return to be completed by (Unaudited)	Amy Johnson			

## Timetable for Closure of 2012/13 Accounts

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
68	Wed	31-Jul-13	Clearance meeting with Grant Thornton	Jane Pearson Lawson Oddie	Grant Thornton		
69	Thurs	01-Aug-13	Grant Thornton <b>appointed day</b> (DRAFT – to be confirmed)	Grant Thornton			
70	Mon	12-Aug-13	<b>Complete Annual Governance Report adjustments and issue final Statement of Accounts</b> to Grant Thornton	Lawson Oddie	Grant Thornton		
71	Mon	19-Aug-13	<b>Distribution Date for Accounts and Audit Committee</b>	Lawson Oddie	Grant Thornton		
72	<b>Mon</b>	<b>26-Aug-13</b>	<b>August Bank Holiday</b>				

**Timetable for Closure of 2012/13  
Accounts**

No.		Completion Date	Task	Lead Officer	Other Key Staff	Date Actually Done	Comments
73	Wed	28-Aug-13	<b>Accounts and Audit Committee meeting to consider the Annual Governance Report and approve amended Final Accounts</b>	Jane Pearson	Lawson Oddie Grant Thornton		
74	Fri	30-Aug-13	<b>Receipt of Accounts opinion from Grant Thornton</b>	Lawson Oddie	Grant Thornton		
75	Mon	02-Sep-13	Accounts to be <b>published</b> on website by	Lawson Oddie	Kay Plant		
76	Fri	06-Sep-13	<b>Summary Accounts to be prepared and published on website by</b>	Lawson Oddie	Amy Johnson  Kay Plant		
77	Fri	27-Sep-13	<b>Whole of Government Accounts return (audited) to be completed by</b>	Amy Johnson			