

**FINAL ACCOUNTS 2011/12 AND AUDIT OF THE 2010/11 ACCOUNTS  
(Report by the Head of Financial Services)**

**1. INTRODUCTION**

- 1.1 The Accounts and Audit Regulations no longer require Members to approve the accounts before they are audited but the 2011/12 accounts will be circulated to Panel members for information as soon as they are completed.
- 1.2 The prime purpose of the accounts is to form the official record of what has happened in the last year and, when audited, they will demonstrate that a proper level of financial stewardship has been achieved on behalf of local residents.

**2 AUDIT OF THE 2010/11 ACCOUNTS**

- 2.1 A final version of the accounts, in which there was significant confidence, was passed to the auditors on the 18 April but the finalisation of the audit has unfortunately been delayed because of the illness of the Audit Manager and their prioritisation of NHS audits. Resources should be available to complete the audit from June 6<sup>th</sup>.
- 2.2 At the time of issuing this report it was still not certain when the auditors will have completed their work on the 2010/11 accounts and an update will be given at the meeting.

**3 2011/12 ACCOUNTS**

- 3.1 The Statement of Accounts, prepared in accordance with the CIPFA Code of Practice has to be completed by 30 June ready for audit.

The Head of Financial Services considers that this will be achieved because:

- The 2010/11 accounts created a sound IFRS compliant base from which to prepare the 2011/12 accounts.
- Significant knowledge was gained on IFRS from completing the 2010/11 accounts and a new asset register was developed that specifically supports the IFRS requirements.
- A consultant has supported the completion of the accounts to ensure that they meet the audit requirements.
- Following the retirement of the capital accountant last September the section was restructured to establish a team that would provide extra support on final accounts and thus spread the workload between more staff. The accountant heading that team has worked closely with the consultant in the

finalisation of last year's accounts, the development off the asset register and the 2011/12 accounts.

- Progress on the closedown has been monitored on a much more regular basis so that if any problems emerge they can immediately be responded to.
- There is a clear understanding within the section that, in the current circumstances, asking for help is a strength and not a weakness.

2.2 However, even in an "ordinary" year there is still a significant amount of work required to complete the accounts and the timetable is always tight to complete them by 30 June. They will be circulated informally to Panel Members as soon as they are available.

3.2 The audit is scheduled to start on 23 July 2012 and the audit conclusions will be formally reported to the Panel at its September meeting.

#### **4 RECOMMENDATIONS**

4.1 It is recommended that the Panel note the latest position.

#### **ACCESS TO INFORMATION ACT 1985**

Final Accounts and Working Papers held in the Accountancy Section

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