

Appendix 1

Improvements to the year end finance process agreed by Capita Accountancy and S&V strategic finance

- 1) The auditors Ernst and Young (EY) will be encouraged to increase the scope of their interim audit to cover as much testing as possible alleviating the workload in the final audit.
- 2) Property accounting to be completed and audited before the end of the interim audit. (The Interim audit for 2018/19 will take place during the first two weeks of April). Any delays in the delivery of property valuations will be escalated by the head of finance to the appropriate head of service.
- 3) Capita Accountancy (CA) staff will run their own debtors & creditors listings on 1 April (no reliance on other departments).
- 4) Debtor and creditor listings will be sent to EY by the end of first week in April. EY will request a sample a week later which can be provided on day one of the final audit. (Due to the timing of the 2018/19 audit it may be possible to complete this testing before EY finish their interim on 12 April).
- 5) We will seek to establish regular communication between the councils' strategic finance team (SF), CA and EY on the status, progression and completion of the audit programme. SF and CA need to understand what work is still outstanding not just outstanding requested deliverables. Updates will need to be daily with a weekly summary.
- 6) Members of the councils' finance business partnering team will be trained on the workings of the 5C Contract to ensure the final accrual can be checked and provided earlier.
- 7) Where EY disagreed with or require further clarification of S&V accounting policies, (e.g. lease accounting on investment properties) these queries are raised/revisited and closed off before the year end audit.
- 8) The Whole of Government Accounts (WGA) return will be worked upon during May not left to the first week in June. The CA team are fully trained in the workings and requirements of this report.
- 9) The CA financial accounts team, now based in Shepton Mallett is currently fully staffed with trained accounting personal. The financial accountant also has very experienced colleagues on site working in finance for other councils in the 5C Contract. In addition, the four person finance business partnering team based locally in Milton park which reports into the Strategic Finance Manager, will be working closely with CA to facilitate the audit.

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8 March 2019