

Joint Audit and Governance Committee



Report of Head of Finance

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To: Joint Audit and Governance Committee

DATE: 28 September 2015

Statement of accounts 2014/15

Recommendation(s)

That the statement of accounts for Vale of White Horse District Council for 2014/15 be approved as amended and signed by the chairman of this meeting of the committee and by the co-chairman from Vale of White Horse District Council.

Purpose of Report

1. To consider the processes involved in the production of the statements of accounts for both councils and to approve the final versions for 2014/15.

Strategic Objectives

2. The council has a strategic objective of effective management of resources. The timely production, audit and publication of the statement of accounts is fundamental to this objective.

Background

3. The head of finance approved the 2014/15 statements of accounts for both South Oxfordshire District Council and Vale of White Horse District Council for external

audit by the required deadline of 30 June 2015. The audit of those statements has now been completed. Following an informal training session for members of this committee, revised statements are now presented to the committee for approval.

4. Although the stated aim of achieving unqualified accounts by the statutory deadlines has been achieved, the process of producing the accounts was not without its problems this year. Accountancy had set an internal deadline of 16 June to complete the accounts for sign-off by the head of finance. This date had been set as part of preparing for the earlier sign-off date of 31 May which will come into force from 2017. However, the earlier date was not achieved and both sets of accounts were signed off on the statutory deadline date of 30 June.
5. There are a number of key reasons for the problems encountered. Firstly, the fire at the council offices in Crowmarsh Gifford in January caused disruption to working practices across the council and it was not until mid-June that all accountancy staff could be located in the same office at Milton Park. This disruption impacted not only on productivity of accountancy, but also on the other council staff that accountancy rely on for information to close the accounts. The subsequent insurance claim has also substantially diverted key staff from their routine accountancy work. Second, three accountancy staff (from a team of 12) were diverted for three weeks in late April/early May to work on the elections. Finally, a key member of the accountancy team with particular specialisms in capital, treasury and collection fund matters left the councils' employment during April and their duties had to be picked up by team members with less experience.
6. The first two of these key reasons are hopefully one-off events: the May 2015 elections were the most complex that the council has had to administer and the combination of general, district and parish elections on the same day will not be repeated for 20 years. Despite the challenges detailed above satisfactory statements of accounts were produced by the statutory deadline. However, the challenge of moving to an earlier sign-off deadline of 31 May should not be underestimated.
7. Accountancy has already started to think ahead to next year's closedown process and will again attempt to achieve head of finance sign-off on 16 June. We intend to undertake an in-year "mini closedown" which it is anticipated will reduce the workload required at year end. Where tasks can be completed earlier in the year then these will be identified and brought forward. An example of this would be property revaluations which will be requested earlier in the year. The accountants are also continuing to work on better links between the ledger systems, spreadsheet workings and the final accounts documents. However, earlier closedown will need the assistance of staff across the council to ensure information is produced and finalised earlier than it is now.

Financial Implications

8. There are no direct financial implications arising from this report.

Legal Implications

9. Approval of the amended statement of accounts by the committee fulfils the requirements of the Accounts and Audit (England) Regulations 2011.

Risks

10. None

Other Implications

11. None

Conclusion

12. The audit of the 2014/15 statements of accounts is now substantially complete and, following their approval by joint committee, they can be published.