

Joint Audit and Governance Committee



Report of Interim Head of Finance

Author: Richard Spraggett

Telephone: 01235 422499

Textphone: 18001 01235 422499

E-mail: simon.hewings@southandvale.gov.uk

Wards affected: all

South Cabinet member responsible: Leigh Rawlins

Tel: 01189 722565

E-mail: leigh.rawlins@southoxon.gov.uk

To: Joint Audit and Governance Committee

DATE: 30 March 2021

Vale Cabinet member responsible: Andrew

Crawford

Tel: 01235 772134

E-mail: Andy.crawford@whitehorsedc.gov.uk

Statement of accounts 2020/21

Recommendations

- (a) To note progress on completing the 2020/21 statement of accounts
- (b) To approve the revised statements of accounting policies as shown in Appendix 1 (South Oxfordshire DC) and Appendix 2 (Vale of White Horse DC).

Purpose of Report

1. To update councillors on progress being made towards the completion of the 2020/21 statement of accounts, and to present revised statements of accounting policies for approval.

Strategic Objectives

2. Managing the finances of the authorities effectively will help to ensure that resources are available to deliver their services and meet the councils' strategic objectives.

Background

3. The statement of accounts for both councils for 2020/21 are required to be completed and signed off for audit by the Interim Head of Finance by 31 July and audited

accounts are to be approved by this committee for publication by 30 September. This report brings to the attention of the committee some of the key issues for this year's closedown.

4. The statutory deadlines for approving draft accounts, and completion of the external audit introduced for the 2017/18 Year End close proved to be extremely challenging for both councils and audit firms. As a result of Redmond Review the closing dates for 2020/21 and 2021/22 accounts have been moved from 31 May to 31 July for signing of the draft accounts, and 31 July to 30 September for audit sign off.

Preparations for financial year end

5. The finance department has a timetable in place which aims for completion of both councils' financial statements by 30 June 2021, one month ahead of the new deadline. This will ensure that the production of financial statements will not overlap with the 2022/23 budget setting process which will start in the early summer of 2021
6. The old Agresso finance system was closed on 17 March and will be replaced with the upgraded 'Unit 4' package. The expectation is that the new system will be available by the first week in April and all the year-end accounts will be prepared from the new accounting software. Testing has gone well, and all year end reports, and functionality are expected to work when the new software is available.
7. Following the insourcing of a number of functions in recent years, most of the information required to complete the accounts comes from internal sources. Other key information is required from Capita to prepare the collection fund, Oxfordshire County Council for the pension fund valuation data, and from the councils' valuers for property valuations.
8. Ahead of preparing the final accounts, the statements of accounting policies have been reviewed. For the 2020/21 accounts there are no significant changes to the accounting policies. The draft policies are attached as Appendix 1 (South Oxfordshire) and Appendix 2 (Vale of White Horse). The committee is asked to approve these policies.

Financial Implications

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

Legal Implications

10. Approval of the amended statement of accounts by the committee fulfils the requirements of the Accounts and Audit (England) Regulations 2015.

Risks

11. None

Other Implications

12. None

Conclusion

13. The 2020/21 final accounts timetable has been amended following the Redmond Review. Preparations to prepare the final accounts in accordance with the new timelines, and on the councils' new financial systems, are well under way.
14. Draft 2020/21 accounting policies are attached and require approval by the committee.