

# CYNGOR SIR POWYS COUNTY COUNCIL

## AUDIT COMMITTEE

16th November 2018

**REPORT AUTHOR:** Jane Thomas, Head of Financial Services

**SUBJECT:** Closure of Accounts

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**REPORT FOR:** Information

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### 1. Introduction

- 1.1 Committee will be aware that the Statement of Accounts for 2017/18 were issued an unqualified audit opinion by the Auditor General and approved by the Audit Committee on the 12<sup>th</sup> September. The accounts were then published on the public website before the statutory deadline of 30<sup>th</sup> September 2018.
- 1.2 The closure of accounts process and completion of the Statement of Accounts for 2017/18 was delivered under a project management approach. The approach has been adopted for 4 years and has led to continued improvements both to the quality of the draft financial statements and the information available to support them. This was recognised within the ISA260 report presented by Wales Audit Office to Committee on 12<sup>th</sup> September 2018.
- 1.3 The project management approach will continue for the 2018-19 closure of accounts and look to build on the improvements made in previous years.

### 2 Project Update

- 2.1 The project team remains in place and the project plan for 2018-19 is being developed. A review of last year's project delivery will highlight the lessons learnt, the benefits gained, and the areas for further improvement this year. The actions identified will be incorporated into the plan.
- 2.2 The Wales Audit Office Statement of Accounts Memorandum, which will be received shortly, will also provide details of any issues and make recommendations for the changes arising from this year's audit, actions identified from this report will also be incorporated into our plan.
- 2.3 In 2018-19 the Statutory deadline for both the draft and final set of accounts will be brought forward by two weeks. The draft will need to be signed by the S151 Officer by 15<sup>th</sup> June 2019 and final version will need to be approved and published by 15<sup>th</sup> September 2019. In 2017-18 the Draft was presented to WAO on 18<sup>th</sup> June and the published version approved by Audit Committee on 12<sup>th</sup> September 2018. For 2018-19 the aim is to produce the draft by the end of May and for WAO to

complete a large part of their audit by 31<sup>st</sup> July. In effect providing a dry run for the shortened timescales in 2020-21.

#### Statutory dates for the Statement of Accounts

	2017-18	<b>2018-19</b>	2019-20	2020-21
Draft Version	30 June 18	<b>15 June 19</b>	15 June 20	31 May 21
Published Version	30 Sept 18	<b>15 Sept 19</b>	15 Sept 20	31 July 21

2.4 In April 2019 the new finance system will become operational, the effects of the transition from the old system will need to be considered in this year's plan, in terms of resources, processes and reporting.

2.5 The Head of Financial Services will report progress and identify issues with the Deputy Chief Executive (Section 151 Officer), and regular updates are provided under a standard item at the Resources Management Team. Regular update reports will be submitted to Audit Committee.

2.6 Discussions will take place with officers from the Wales Audit Office during the next few months to prepare for next year's audit, we will explore what work can be undertaken throughout the year to assist in the audit and how future workshops can be utilised to further improve the process. A clear audit plan will be requested that outlines the audit approach, and audit deliverables and timescales.

<b>Recommendation:</b>	<b>Reason for Recommendation:</b>
<b>That Audit Committee notes the contents of the report.</b>	<b>To continue the improvement in accounts closure and that the continuing use of project management principles is endorsed for the closure and audit of the 2018/19 accounts.</b>

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