

UNAUDITED ANNUAL ACCOUNTS 2016-17

1. EXECUTIVE SUMMARY

- 1.1 This report advises the Audit Committee on the plans in place for financial year end 31 March 2017 and the preparation of the Council's Unaudited Annual Accounts for 2016-17.
- 1.2 The major change to the timetable is to bring forward the timescales for production of the figures for the Integration Joint Board which require to be available for the 21 April 2017.
- 1.3 The Appendices to the report show the timetable for the closure of the general ledger and the plan and timetable for preparation of the final accounts.
- 1.4 The Committee is asked to note that plans are in place to prepare the Councils Annual Accounts, consistent with the Accounting Code of Practice and submit them to Council prior to 30 June 2017 in line with the Scottish Government's requirements.

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2. INTRODUCTION

- 2.1 This report advises the Audit Committee on the plans in place for financial year end 31 March 2017 and the preparation of the Council's Unaudited Annual Accounts for 2016-17.
- 2.2 Processes have been established to ensure that the Annual Accounts are prepared in accordance with International Financial Reporting Standards (IFRS) on an on-going basis. There are no major changes in accounting practice for 2016-17.

3. RECOMMENDATIONS

- 3.1 To note that plans are in place to prepare the Council's Annual Accounts, consistent with the Accounting Code of Practice and submit them to Council prior to 30 June 2017 in line with the Scottish Government's requirements.

4. DETAIL

- 4.1 "An Audit Committees – Practical Guidance for Local Authorities" has been issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). This suggests that Audit Committees should have an overview of the plans made for preparation of the Council's Annual Accounts.
- 4.2 A set of instructions for the end of the financial year have been drafted. These cover year-end close down of the Council's financial systems and the preparation of a set of accounts in line with professional and legislative requirements. These are included within appendices 1 to 3.
- 4.3 The major change in the timetable is that figures require to be available for consolidation into the Integrated Joint Boards Accounts by 21 April 2017 which requires accruals and other entries in respect of Social Work to be processed in early April.
- 4.4 The project plan included with the instructions is detailed and includes the following milestones:
- Capital expenditure, capital charges and treasury management revenue accounts completed by 19 April.
 - Revenue expenditure, creditors, debtors, accruals and prepayments completed by 28 April.
 - Council Tax and NDR entries completed by 16 May.

- Review and adjustments to ledger and central department cost allocations completed by 16 May.
- Preparation of Unaudited Annual Accounts including report by Head of Strategic Finance by 9 June.
- Unaudited Annual Accounts considered by a meeting of the Full Council on 29 June.
- Submission of Unaudited Annual Accounts to Accounts Commission by the statutory deadline of 30 June.

4.5 The review of the year end timetable and processes identified three areas which have had an impact on compliance with the timetable for investigation:

- Pension Information
- Processing allocation journals
- Capital Financed From Revenue

4.6 Each of the areas was further investigated and adjustments have been made to either the timetable to reflect the dependencies of tasks or the process to try and ensure that the tasks are completed as per the timetable.

4.7 Previously external Audit has been satisfied with the quality of working papers and general arrangements for preparation of the Annual Accounts. The plan should result in Financial Statements prepared by the required deadline of 30 June 2017 and with supporting documentation of a standard to enable completion of the audit by the required deadline of 30 September 2017.

5. CONCLUSION

5.1 The review of the year end processes and timetable has resulted in a number of changes to these being implemented which should ensure that the Annual Accounts are completed on time and that the working papers meet Audit Scotland's requirements.

6. IMPLICATIONS

6.1	Policy –	None at present
6.2	Financial -	None at present
6.3	Legal -	None at present
6.4	HR -	None at present
6.5	Equalities -	None at present
6.6	Risk -	None at present
6.7	Customer Service -	None at present

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Appendix 1 – General Ledger Closedown Timetable

Appendix 2 - Final Accounts Preparation Plan and Timetable

Appendix 3 – Social work Closedown Timetable