

CYNGOR SIR POWYS COUNTY COUNCIL

AUDIT COMMITTEE

9th May 2019

REPORT AUTHOR: Jane Thomas, Head of Financial Services

SUBJECT: Closure of Accounts

REPORT FOR: Information

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 12th September. The accounts were then published on the public website before the statutory deadline of 30th 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 12th 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 In line with CIPFA guidance on streamlining the accounts, officers have reviewed and highlighted notes that were below materiality in 2017-18 and are not statutorily required. In doing so they have agreed that the following notes and associated policies will be removed from the 2018-19 accounts so long as the materiality threshold is not breached for each note.

Note	Value 2017-18 £'000
Heritage Assets	1,433
Intangible Assets	1,786
Impairment Losses and Re-recognition of Non-enhancing Expenditure	1,998
Inventories	813
Assets Held for Sale	1,378

2.2 The Account and Audit (Wales) (Amendment) Regulations 2018 issued in February 2018 allow Welsh administering authorities of Pension Funds the option of reporting the accounts of the Pension Fund separately to the Authority's accounts. Each year the Pension Fund must publish an Annual Report by 1 December, this report includes the accounts approved by Audit Committee. In 2018-19 it is proposed that the Pension Fund accounts will only be included in the Pension Fund Annual Report. Audit Committee will remain responsible for approving the accounts included in the Annual Report. Pension and Investment Committee will continue to approve the Annual Report. CIPFA issued their guidance for Preparing the Annual Report in April 2019.

2.3 Regular meetings with WAO have been held. They have sampled tested income and expenditure up to period 8. Samples from period 9 to 11 have been distributed to the finance team and the relevant documentation is being collected at the time of writing this report.

2.4 Key dates to note in the project plan are as follows.

Date	Action
2 nd May	Closing management accounts
31 st May	Draft Accounts Completed (section 151 officer sign-off), Statutory deadline 15 th June
31 st May	Working papers to Wales Audit Office
10 th June	Seminar to Audit Committee
6 th September	Audit Committee Approval

2.5 The audit seminar scheduled in June will highlight any significant changes or variations between 2018/19 and 2017/18. It will also aim to draw the Committees attention to any issues identified by audit/officers up to that date.

Recommendation:	Reason for Recommendation:
That Audit Committee notes the contents of the report.	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.

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