

FINANCIAL STATEMENTS - 2009-10

1 INTRODUCTION

- 1.1 This report advises the Audit Committee on the plans in place for financial year end 31 March 2010 and the preparation of the Council's Financial Statements for 2009-10.

2 RECOMMENDATIONS

- 2.1 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 2010 in line with the Scottish Government's requirements.

3 DETAIL

- 3.1 "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.
- 3.2 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.
- 3.3 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 30 April.
 - Revenue expenditure, creditors, debtors, accruals and prepayments completed by 30 April.
 - Council Tax and NDR entries completed by 19 May.
 - Review and adjustments to ledger and central department cost allocations completed by 19 May.
 - Preparation of unaudited single entity financial statements including report by Head of Strategic Finance by 11 June.
 - Unaudited single entity financial statements considered by a meeting of the Full Council on 24 June. If the Group Accounts are ready by the Full Council Meeting they will also be considered by Members at this point in time.

- Submission of Unaudited Financial Statements to Accounts Commission by the statutory deadline of 30 June 2010.
- 3.4 The plans are in line with previous years. Previously external Audit has been satisfied with the quality of working papers and general arrangements for preparation of the financial statements. The plan should result in Financial Statements prepared by the required deadline of 30 June 2010 and with supporting documentation of a standard to enable completion of the audit by the required deadline of 30 September 2010.
- 3.5 This year there are a limited number of technical changes arising from the 2009 SORP. Planning and preparation for the full implementation of International Financial Reporting Standards (IFRS) into the public sector for the 2009-10 financial year is well underway. Accounting for PFI/PPP projects under IFRS is to be introduced for the 2009-10 financial statements and has been programmed in to the year-end timetable. Under IFRS restated opening balance sheets at 1 April 2009 will be required by March 2010 for our external auditors, Grant Thornton, to review.
- 3.5 Copies of both sets of instructions / timetables are available from the Head of Strategic Finance if required.

Bruce West
Head of Strategic Finance
26 February 2010