

Committee: Performance Select Committee
Date: 29 April 2008
Title: Audit and Finance Work Programmes
2008/09
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Services 01799 510421

Agenda Item

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Item for information

Summary

1. This report provides Members with the audit and financial control programme for 2008/09.

Recommendations

2. Members note the programmes as attached at Appendices One to Five.
3. Members discuss and agree a methodology for channelling questions arising from the financial information provided.

Background Papers

None.

Impact

Communication/Consultation	Appropriate communication with relevant stakeholders has and will continue to take place
Community Safety	There are no specific community safety implications contained in this report
Equalities	There are no specific equalities implications contained in this report
Finance	This report reflects the financial control and reporting process for 2008/09
Human Rights	There are no specific human rights implications contained in this report
Legal implications	Legal implications of any of the actions proposed in this report will be considered
Ward-specific impacts	There are no specific ward implications contained in this report
Workforce/Workplace	There are no specific workforce/workplace implications contained in this report

Situation

4. The programmes of work attached at Appendices One to Three (Appendix One – page 3, Appendix Two – page 9, Appendix Three- page 11) contain the individual work programmes of the Finance Section, Internal Audit and the Audit Commission.
5. It has not been possible to compile all three work plans into one timetable as the:
 - a. Internal Audit plan is currently a draft and whilst allocated to each quarter cannot as yet be broken down further.
 - b. Audit Commission are unable to provide details of the number of days each element of work will take.
6. Part of the information contained within Appendix One is the budget monitoring and reporting timetable. It is planned that budget information will be sent to Members at the end of working day eight each month. A method of channelling subsequent questions and arranging for timely replies needs to be implemented. It is essential that the whole process is completed by the end of working day 18 to ensure all parties are in position to begin the process again at the start of the new month.
7. The types of decision that need to be made are:
 - a. Should the questions be collated by one member in each group to avoid 44 similar emails being sent to an individual?
 - b. Should the list of questions be sent to the Committee Chairperson to gather the information and respond or to Officers?
 - c. Currently Freedom of Information requests are forwarded to the Chief Executive and Directors' Personal Assistant team who collate them, forward to relevant Heads of Division and ensure timely replies are received which are then sent back to the initiator. A similar process could be adopted for the budget questions.
 - d. Should questions asked and replies given be sent to just the originator or to all councillors?
8. Appendix Four (page 13) is the 2007/08 year end work programme and is provided for information. The timetable is reported with the position as at 21 April 2008.
9. Appendix Five (page 24) is the Audit Commission Working Paper list for 2007/08 year end and is provided for information. The list is spread over three categories
 - **LEVEL 1** - Working papers that must be available prior to starting the audit (availability to be checked by auditor a week before audit commences).
 - **LEVEL 2** - Working papers that should be provided at the start of the audit.
 - **LEVEL 3** - Best practice working papers.

The provision of the information has a direct impact on the final Use of Resources score that the council receives.

Appendix One - Finance

April 2008	Work Day																					
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Reports compiled and sent to HoDs																						
HoD Review reports and return																						
Member report compiled																						
Member report sent via email																						
Accountant budget monitoring																						
2007/08 Final Accounts closedown																						
Zero Based Budgeting 08/09 Rev'd 09/10 Original																						
Internal Audit Service Plan																						

May 2008	Work Day																			
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Reports compiled and sent to HoDs																				
HoD Review reports and return																				
Member report compiled																				
Member report sent via email																				
Accountant budget monitoring																				
2007/08 Final Accounts closedown																				
Zero Based Budgeting 08/09 Rev'd 09/10 Original																				
Internal Audit Service Plan																				
Report for Development Control Comm sent out																				

June 2008	Work Day																				
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Reports compiled and sent to HoDs																					
HoD Review reports and return																					
Member report compiled																					
Member report sent via email																					
Accountant budget monitoring																					
2007/08 Final Accounts closedown																					
Zero Based Budgeting 08/09 Rev'd 09/10 Original																					
Internal Audit Service Plan																					
Report for Community Committee sent out																					
Report for Environment Committee sent out																					
Report for Licensing Committee sent out																					
Report for Finance & Admin Committee sent out																					
Report for Performance Select Committee sent out																					

July 2008	Work Day																						
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Reports compiled and sent to HoDs																							
HoD Review reports and return																							
Member report compiled																							
Member report sent via email																							
Accountant budget monitoring																							
Zero Based Budgeting 08/09 Rev'd 09/10 Original																							
Internal Audit Service Plan																							
Report for Development Control Comm. sent out																							
Dealing with Audit Commission 07/08 issues																							

August 2008	Work Day																			
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Reports compiled and sent to HoDs																				
HoD Review reports and return																				
Member report compiled																				
Member report sent via email																				
Accountant budget monitoring																				
Zero Based Budgeting 08/09 Rev'd 09/10 Original																				
Internal Audit Service Plan																				
Report for Performance Select Committee sent out																				
Dealing with Audit Commission 07/08 issues																				

September 2008	Work Day																					
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Reports compiled and sent to HoDs																						
HoD Review reports and return																						
Member report compiled and sent via email																						
Accountant budget monitoring																						
Zero Based Budgeting 08/09 Rev'd 09/10 Original																						
Internal Audit Service Plan																						
2008/09 Revised budget setting																						
2009/10 Original budget setting																						
Reports for Committees sent out																						
MTFS Report for Finance & Admin Comm																						
Report for Finance & Admin Committee sent out																						
Report for Development Control Comm. sent out																						
Dealing with Audit Commission 07/08 issues																						

October 2008	Work Day																						
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Reports compiled and sent to HoDs																							
HoD Review reports and return																							
Member report compiled																							
Member report sent via email																							
Accountant budget monitoring																							
2008/09 Revised budget setting																							
2009/10 Original budget setting																							
Internal Audit Service Plan																							
Report for Performance Select Comm. sent out																							

November 2008	Work Day																			
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Reports compiled and sent to HoDs																				
HoD Review reports and return																				
Member report compiled and sent via email																				
Accountant budget monitoring																				
2008/09 Revised budget setting																				
2009/10 Original budget setting																				
Internal Audit Service Plan																				
Fees and charges reports to Committees																				
Reports for Committees sent out																				
Budget Consultation report Finance & Admin																				
Report for Finance & Admin Committee sent out																				
Report for Development Control Comm. sent out																				
Report for Performance Select Comm. sent out																				

December 2008	Work Day																				
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Reports compiled and sent to HoDs	■																				
HoD Review reports and return		■	■	■																	
Member report compiled					■	■	■														
Member report sent via email								■													
Accountant budget monitoring	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2008/09 Revised budget setting	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2009/10 Original budget setting	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

January 2009	Work Day																				
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Reports compiled and sent to HoDs	■																				
HoD Review reports and return		■	■	■																	
Member report compiled					■	■	■														
Member report sent via email								■													
Accountant budget monitoring	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2008/09 Revised budget setting	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2009/10 Original budget setting	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Internal Audit Service Plan	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Report for Community Committee sent out					■																
Report for Environment Committee sent out					■																
Report for Licensing Committee sent out					■																
Report for Finance & Admin Committee sent out								■													
Report for Development Con. Committee sent out									■												
Report for Performance Select Comm. sent out					■																

February 2009	Work Day																			
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Reports compiled and sent to HoDs	■																			
HoD Review reports and return		■	■	■																
Member report compiled					■	■														
Member report sent via email								■												
Accountant budget monitoring	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2008/09 Revised budget setting	■	■	■	■	■	■														
2009/10 Original budget setting	■	■	■	■	■	■														
Internal Audit Service Plan	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
MTFS Report for Finance & Admin Comm							■													
Report for Finance & Admin Committee sent out	■																			
Reports for Full Council sent out										■										
Report for Performance Select Comm. sent out					■															

March 2009	Work Day																					
Action	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Reports compiled and sent to HoDs	■																					
HoD Review reports and return		■	■	■																		
Member report compiled and sent via email					■	■	■	■														
Accountant budget monitoring	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Internal Audit Service Plan	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Report for Community Committee sent out					■																	
Report for Environment Committee sent out					■																	
Report for Licensing Committee sent out					■																	
Report for Finance & Admin Committee sent out								■														
Report for Development Control Comm. sent out					■																	

Appendix Two - Internal Audit

Internal Audit	Number of Days																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Qtr 1																				
Corporate income																				
information management																				
BVPI																				
reconciliations																				
Refuse & recycling																				
Car loans & leasing																				
Housing Contract Systems																				

Internal Audit	Number of Days																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Qtr 2																				
contracts																				
IT audit																				
Budget monitoring/ reporting																				
Creditors & VAT																				
Development control																				
Housing repairs & stores																				
Legal Services																				
Insurance																				

Internal Audit	Number of Days																			
Qtr 3	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
corporate budget																				
Rents																				
Business rates																				
Council tax																				
Treasury management																				
Facilities management																				
Elections																				
Museum																				
Licensing																				

Internal Audit	Number of Days																			
Qtr 4	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Asset management																				
Housing benefits																				
Payroll, allowances, expenses																				
Sundry Debtors																				
Customer Services																				
Local land charges																				

Appendix Three – Audit Commission

Audit Commission
Qtr 1
Interim audit 2007/08
Review of Internal Audit
Quarterly meeting with Internal Audit
Use of Resources 2008 (early work)
Annual Audit and Inspection plan 2008/09 issued
Data Quality 2008 Stage 1
Review of the new Medium Term Financial Strategy
Data Quality 2008 Stages 2 & 3
Interim audit memorandum issued
Review of Internal Audit report issued

Audit Commission
Qtr 2
Pre-accounts audit meeting
Final accounts 2007/08 audit (inc. weekly closedown meetings)
Quarterly meeting with Internal Audit
Final accounts 2007/08 audit (inc weekly closedown meetings)
Review of the new budgetary control arrangements
Final accounts 2007/08 audit (inc weekly closedown meetings)
Annual Governance Report issued (by 30 September)
Opinion on the accounts and VFM conclusion issued (by 30 September)
Use of Resources 2008
Pooled Housing Capital Receipts return audit

Audit Commission
Qtr 3
Direction of Travel 2008
Whole of Government accounts return audit
Post-accounts review meeting with Finance
Use of Resources 2008
Finalise results of Data Quality 2008 review
Quarterly meeting with Internal Audit
Housing Base Data Return audit
NNDR return audit
Housing Benefits and Council Tax Benefits grant claim audit
Housing Subsidy grant claim audit
Final accounts memorandum issued
Data Quality report issued
Housing Subsidy grant claim
Review of Internal Audit's work on the 2009/10 budget
Pig Market Charitable Trust Fund audit
Use of Resources 2008 scores released
Use of Resources 2008 report issued
BVPP opinion issued

Audit Commission
Qtr 4
Quarterly meeting with Internal Audit
Annual Audit and Inspection Letter 2007/08
Interim audit 2008/09
Accounts audit planning meeting

Appendix Four – 2007/08 Year End process position as at 21 April 2008

Procedures & Timetable				
ITEM		Duration (days)	Due Date	Current Status
2008	MARCH			
1	Reminder to District Valuer to complete Asset Valuations/Impairment	1	31.03.08	Completed
2	Produce draft timetable for comments by Finance Staff	5	31.03.08	Completed
3	Bank reconciliations completed to 29th February 2008	12	31.03.08	Completed
4	Request information on leave/absence booked by Finance staff from March to June 2008	1	31.03.08	Completed
5	Balances Brought Forward on FMS as at 31/03/07, to 2007/08	1	31.03.08	Completed
6	Produce timetable of "progress review" meetings for Finance Staff	1	31.03.08	Completed
7	Reimburse Petty Cash Floats,	1	31.03.08	Completed
	APRIL 2008			
8	Run year-end procedures	1	01.04.08	Completed
9	Related Party Transactions-letters issued	1	01.04.08	Completed
10	NNDR, C Tax and HB computer systems closed to old year at 31.03.07	1	01.04.08	Completed
11	Rents system closed to old year entries	1	01.04.08	Completed
12	Year-end closure of Sundry Debtor system to all old year items, and run year-end reports	1	01.04.08	Completed
13	Produce aged analysis of Council Tax/NNDR Debtors outstanding as at 31st March 2008, for Bad Debts calculation	1	01.04.08	Completed
14	Produce aged analysis of Sundry Debtors outstanding as at 31st March 2008, for Bad Debts calculation	1	01.04.08	Completed
15	Housing Benefits Overpayments (Debtors) o/s software to be run	1	01.04.08	Completed
16	Comments returned by Finance Staff on Draft Timetable	2	02.04.08	Completed
17	Complete and Return of amounts held in Petty Cash Statements	1	04.04.08	Completed
18	Completed Stock Certificates to be returned to Finance	4	04.04.08	Completed
19	All suspense/personal accounts to be reconciled to FMS to end of February	15	04.04.08	Completed
20	Check all Feeder Systems reconciliations are completed to end of February	1	07.04.08	Completed
21	Reconcile payments to major preceptors to FMS	1	07.04.08	To be completed this week.

22	Review of Balance Sheet codes & any old non-moving balances cleared	3	on-going	Ongoing for holding accounts.
23	Prior year accounts (2006/07) closed on FMS, and journalled to 2007/08	1	07.04.08	Completed
24	Any accrual balances brought forward as at 01/04/07, and still on FMS to be cleared where applicable	5	07.04.08	Completed
25	Issue timetable / guidance notes and Final Accounts Timetable to service based finance officers (FOs), HoD's & accountants	3	07.04.08	Completed
26	Insurance recharge journals completed	3	07.04.08	Completed
27				
28	Complete Risk Assessment of closedown process.	1	09.04.08	Completed
29	Write to HoD's to request potential revenue grant claim information, e.g. Partnerships,	1	09.04.08	Completed
30	Final date for receipt of requests from Directorates for raising debtor accounts for 2007/08	1	09.04.08	Completed
31	Final date for receipt of invoices chargeable to financial year 2007/08, in respect of goods & services received by 31st March	1	09.04.08	Completed
32	Write to Barclays Bank to authorise confirmation of bank balances at 31st March to District Auditor	1	11.04.08	Completed
33	Request FRS 17 Pensions disclosure information from County Council Pension Fund Actuary	1	11.04.08	Completed
34	Set up folders on shared directory, with instructions for posting & reporting to ensure consistency/ integrity of data etc.	5	11.04.08	Completed
35	Issue guidance & Final Accounts timetable to Heads of Division	2	11.04.08	Completed
36	HoD's to submit Sundry Creditor forms	1	11.04.08	Completed
37	Determine process for reconciling o/s bank recs such as All Pay, D/D's etc	3	11.04.08	Reconciliations nearly completed. Some compensating differences
38	Complete journal entries for transfer of former Operating Lease items to Finance Lease	2	11.04.08	Completed
39	Complete Reconciliation of NNDR/ Council Tax income from FMS to feeder systems summary	5	11.04.08	Completed
40	Reconcile NNDR/ Council Tax refunds from GL to feeder systems summaries	5	11.04.08	Completed
41	Reconcile investment income received to General Ledger	2	11.04.08	To be completed this week (by 25/04)
42	Final creditors date for invoices to be put back into 2007/08	5	11.04.08	Completed

43	Complete reconciliation of VAT suspense a/c & clear any old balances	10	14.04.08	Ongoing.
44	Re-state capital accounts to comply with new ACOP	20	14.04.08	Completed
45	Reconcile general grant income from RSG & NNDR Suspense Accounts to notifications from DCLG.	1	14.04.08	To be completed this week (by 25/04)
46	All 2006/07 adjusting journals to balances bt/fwd 01.04.07 resulting from DA corrections to be completed	3	14.04.08	On-going
47	Accountants to journal Stock balances onto FMS	1	18.04.08	Awaiting creditors to be charged to 07/08 to be completed
48	Depreciation Charges calculated, & input to GL	5	18.04.08	Completed
49	Fixed Assets 01/04/07 reconciled from Asset Register to GL	5	18.04.08	Completed
50	Prepare Files for Statement of Accounts working papers to provide evidence for Statement figures	5	18.04.08	Ongoing. DB checking DA's list of requirements
51	Balances Brought Forward new process from 2008/09 commenced	15	18.04.08	Problems o/s now with IBS to solve
52	Set up new 2007/08 draft Statement of Accounts with balances brought forward (06/07), and reconcile to GL.	10	18.04.08	Ongoing. Work commenced to transfer balances
53	Reconciliation & identification of income received to 31st March, in respect of capital funding elements including HIP's implications.	2	18.04.08	Completed
54	Reconcile Capital Receipts received in 7/8 to GL	2	18.04.08	Completed
55	Reconcile and complete recharge journals for car leases, including clearing prior year Class 1A NI recharges.	5	18.04.08	To be completed this week (25/04)
56	Sundry Debtors cash / refunds reconciled to GL	5	18.04.08	Completed
57	Complete reconciliation of housing rents income from GL to feeder systems summary & produce report of aged debtors analysis for Bad debts	12	18.04.08	Completed
58	Reconcile housing rent refunds from GL to feeder systems summaries	3	18.04.08	Ongoing.
59	Copy of year end Payroll reconciliations to GL	1	18.04.08	Some minor issues to resolve in March
60	Capitalisation of any Major Repairs	3	18.04.08	Awaiting final advice from RM
61	All capital sundry creditors input	2	18.04.08	Awaiting recharge back of creditors
62	Year end C.Tax/NNDR systems reconciliations to FMS completed	10	18.04.08	Completed

63	Year end Benefits system reconciliation	10	18.04.08	Accountant /revenues meeting this week
64	Final old year invoices posted to 7/8 period in GL, & year-end creditor reports completed.	1	18.04.08	Completed
65	Accountants to agree internal recharge allocation % with HoD's	3	18.04.08	Any o/s discussions to be completed by 25/04
66	Income Bank Account reconciliation completed	10	21.04.08	March rec still o/s.
67	Receipts in advance journals input into GL	2	21.04.08	Completed
68	Disbursements Bank Account reconciliation completed to 31st March 2008	10	21.04.08	March complete. Some variations for year yet to be resolved.
69	Developers Contributions reconciled	5	21.04.08	Reconciled but some queries to be resolved
70	Establish details of Notional Capital Receipts from sales	2	21.04.08	Completed
71	Deferred Capital Receipts calculated	1	21.04.08	Completed
72	Investment accounts reconciled, accrued interest calculated & journals completed	3	21.04.08	Outstanding
73	Unpresented cheque list completed to 31/03/08	3	21.04.08	Completed
74	Out of date cheques list produced to identify reminders	2	21.04.08	Completed
75	Car Loans Suspense reconciled	2	21.04.08	Completed
76	Rechargeable Works balanced	2	21.04.08	Completed
77	CIS final claim completed	1	21.04.08	Completed
78	Reconciliation of Council Properties/Right to Buy sales	2	21.04.08	Completed
79	Impairment Certificate to be completed for non HRA assets	2	21.04.08	Completed
80	Section 106 Developers Contributions reconciled & interest allocated where appropriate	3	21.04.08	Reconciled but some o/s issues
81	Contractor Deposits balanced & interest allocated where appropriate	3	21.04.08	Reconciled but some o/s issues
82	Completion of Capital Pooling Receipts return & Note 15 to HRA I&E a/c	3	25.04.08	
83	Check all Feeder Systems reconciliations are completed to end of March	1	25.04.08	Completed
84	Complete Note 10 to I&E a/c-Members Allowances	1	25.04.08	
85	Transfer Capital Expenditure to Fixed Assets	3	25.04.08	
86	HB/CTB payments/receipts on GL reconciled	2	25.04.08	
87	Accounts Payable system reconciled to GL	5	25.04.08	

88	All Suspense accounts cleared where appropriate, & any balances carried forward identified by Working Papers.	15	25.04.08	
89	Submit Capital Programme spend return to District Valuer & request written confirmation spend does not add value as per DA	5	25.04.08	
90	Accrued debtors and creditors posted to revenue a/c's	5	30.04.08	
91	Wording of Statement of Responsibilities for S of A approved	1	30.04.08	
92	Review Explanatory Foreword wording for comments by HoF	5	30.04.08	
93	Related Party Transactions-letters to be returned by	1	30.04.08	
94	Related Party Transactions-reminders issued	1	30.04.08	
95	Check Statement of Accounting Policies compliance with SORP - specify any required changes	5	30.04.08	
96	Check overall compliance with SORP - specify any required changes to Statement of Accounts	2	30.04.08	
97	Implications of any changes to Accounting Standards, on receipt of ACOP Guidance Notes, to be assessed	2	30.04.08	
98	Guidance notes re affects of any changes in SORP issued to accountants	1	30.04.08	
99	Request details of Contingent Liabilities/Gains from SMB/HoD's	1	30.04.08	
100	Prepare required audit documentation re Precepts and payment schedules re Collection Fund	1	30.04.08	
101	Improvement Grants reconciled to supporting records	2	30.04.08	
102	Mortgage Accounts closed & posted	2	30.04.08	
103	Mortgage interest & principal entries completed	2	30.04.08	
104	Complete Note 5 to Balance Sheet re Long Term Debtors	2	30.04.08	
105	Payments in advance journals input into GL	2	30.04.08	
106	Complete Note 2c to Balance Sheet-Physical Assets	2	30.04.08	
	MAY 2008			
107	Complete Note 14 to I&E a/c-Section 137 Expenditure	1	02.05.08	
108	Information received from ECC re FRS 17	2	02.05.08	
109	Provision for Bad Debts re Housing rents calculated	3	02.05.08	
110	Long Term Debtors & Note 5 Balance Sheet completed	1	02.05.08	
111	Note 4 to Balance Sheet-Long Term Investments	1	04.05.08	
112	Note 11 to HRA re dwelling numbers completed	1	04.05.08	
113	HB/CTB accruals to be journalled from Final Claim completion	1	04.05.08	
114	HB Bad Debts provision calculated	2	04.05.08	

115	Interim Head of Finance to approve capital financing	2	04.05.08
116	Complete Note 6 to Balance Sheet re Stocks	2	06.05.08
117	Inland Revenue Accounts closed & payments made	1	06.05.08
118	Complete Note 14 to I&E a/c-Lease Payments	2	09.05.08
119	Completion of central support recharges & journalled	10	12.05.08
120	Draft Statement of Internal Control issued to DA	3	15.05.08
121	Pension Fund disclosure notes completed for payroll information	1	16.05.08
122	Note 8 to Balance Sheet-Short Term Investments	1	16.05.08
123	Bad Debt Provisions calculated for service revenue accounts	2	16.05.08
124	Final o/s Related Party letters to be returned	1	16.05.08
125	Complete Note 15 to Balance Sheet-Usable Capital Receipts	2	16.05.08
126	Complete Note 16 to Balance Sheet-Earmarked Reserves	2	16.05.08
127	HRA I&E a/c for Statement of Accounts completed	3	16.05.08
128	Statement of Movement on HRA Balance completed	2	16.05.08
129	Complete Note 1 to HRA-Introduction	1	16.05.08
130	Complete Note 2 to HRA-Gross Rental Income	2	16.05.08
131	Complete Note 3 to HRA-Charges for services	1	16.05.08
132	Complete Note 4 to HRA-Supervision and Management	1	16.05.08
133	Complete Note 5 to HRA-Rents, Rates and Taxes	1	16.05.08
134	Note 7 to HRA re rent arrears completed	1	16.05.08
135	Note 6 to HRA re Housing Subsidy completed	1	16.05.08
136	Complete Note 10 to HRA-Housing Stock Valuations.	1	16.05.08
137	Note 12 to HRA re Major Repairs Reserve completed	1	16.05.08
138	Note 13 to HRA re Repairs Account	1	16.05.08
139	Complete Note 17 to HRA re Pensions Reserve	1	16.05.08
140	Pension Fund note to Accounting Policies-Statement of Accounts completed	1	16.05.08
141	Complete Note 23 to Balance Sheet-Pension Scheme	2	16.05.08
142	Finalise Statement of Accounting Policies	3	16.05.08
143	HoD's to receive final revenue outturn figures for agreement	2	20.05.08
144	HoF to approve Capital Outturn/Financing	2	21.05.08
145	Building Control Chargeable A/C information completed	1	23.05.08
146	Complete Note 11 to I&E a/c-Officers Emoluments	1	23.05.08
147	Complete Note 8 to I&E a/c-LA Goods & Services	1	23.05.08
148	Complete Note 13 to I&E a/c-Audit costs	1	23.05.08

149	Complete Note 3 to Balance Sheet-Deferred Charges	1	23.05.08	
150	Complete Note 10 to Balance Sheet-Provisions	1	23.05.08	
151	Complete Note 24 to Balance Sheet-Euro Costs	1	23.05.08	
152	Note 21 to Balance Sheet-Developer's Contributions-Section 106	1	23.05.08	
153	Revaluation of assets completed, including Impairment Certificate for Housing assets	3	23.05.08	
154	Sundry Creditors Balance Sheet code reconciled	2	23.05.08	
155	Accrued creditors agreed-Note 11 to Balance Sheet	1	23.05.08	
156	Sundry Debtors Balance Sheet code reconciled	2	23.05.08	
157	Accrued Debtors agreed - Note 7 to Balance Sheet	1	23.05.08	
158	Final comments of Revenue Account outturn figures from Heads of Division	2	23.05.08	
159	Completed Collection Fund Summary information to be journalled	2	23.05.08	
160	Complete Note 12 to I & E a/c-Related Party Transactions	2	23.05.08	
161	Draft Capital outturn report for Finance & Admin to HoF for approval	4	23.05.08	
162	Note 14 to I & E a/c-HRA re Capital Expenditure & Financing completed	1	23.05.08	
163	Note 15 to I & E a/c-HRA re Capital Receipts completed	1	23.05.08	
164	Complete Note 6 to I & E a/c-Building Control Chargeable a/c	1	23.05.08	
165	Collection Fund Bad Debts Provision calculated	2	23.05.08	
166	Note 22 to Balance Sheet-Trust & Bequest Accounts	2	23.05.08	
167	Complete Note 9 to I & E a/c re Partnership Schemes	2	23.05.08	
168	Complete Treasury Management outturn Prudential Indicators	3	23.05.08	
169	Complete Note 2 to I&E a/c-Trading	1	23.05.08	
170	Note 25 to I&E a/c-Long-term Contracts	1	23.05.08	
171	Complete Note 2 (e) to Balance Sheet-Capital Expenditure & Financing	2	23.05.08	
172	Complete Note 2 (h) to Balance Sheet-Depreciation	1	23.05.08	
173	Complete Capital Accounting Checklists	2	23.05.08	
174	FRS 17 entries completed	2	23.05.08	
175	Director of Central Services/HoF to agree use of Reserves	2	23.05.08	
176	Complete Collection Fund page in Statement of Accounts	2	23.05.08	
177	Complete Note 1 to Collection Fund-Council Tax	1	23.05.08	
178	Complete Note 2 to Collection Fund-Council Tax Base	1	23.05.08	
179	Complete Note 4 to Collection Fund-Income from NNDR	1	23.05.08	
180	Complete Note 3 to Collection Fund-Precepts	1	23.05.08	
181	Complete Note 4 to Collection Fund-Fund Balance	1	23.05.08	

182	Final journals completed for revenue accounts	5	23.05.08	
183	Final HRA I&E account journals completed	2	23.05.08	
184	Complete HRA Income & Expenditure a/c and Statement of Movements	3	23.05.08	
185	Complete Note of Movement on the HRA Balance	3	23.05.08	
186	Complete Note 4 to I & E a/c re Prior Year Adjustments	1	23.05.08	
187	Fixed Assets accounts completed	3	23.05.08	
188	Complete Capital Financing Requirement and Note 14 to Balance Sheet	2	23.05.08	
189	Note 9 to HRA re Stock Valuation completed	5	23.05.08	
190	Note 16 to HRA re Cost of Depreciation	1	23.05.08	
191	Note 8 to HRA re Depreciation & Impairment	1	23.05.08	
192	Complete Note 2a to Balance Sheet-Movement of Tangible Fixed Assets	1	23.05.08	
193	Complete Note 1 to Balance Sheet-Intangible Fixed Assets	1	23.05.08	
194	Complete Note 2b to Balance Sheet-Valuations of Fixed Assets	1	23.05.08	
195	Note 2 (i) to Balance Sheet-Fixed Assets Impairment	1	23.05.08	
196	Note 2 (g) to Balance Sheet-PFI	1	23.05.08	
197	Complete Note 2 (f) to Balance Sheet-Capital Commitments	1	23.05.08	
198	Note 11 to Balance Sheet-Deferred Government Grants	1	23.05.08	
199	Note 12 to Balance Sheet-Deferred Credits	1	23.05.08	
200	Complete Group Accounts if applicable	1	23.05.08	
201	All General Fund revenue account balances cleared to the I & E a/c & checked to zero	2	23.05.08	
202	Conversion of revenue outturn information to BVACOP format completed	2	23.05.08	
203	Deadline for return of details of Contingent Liabilities/Gains from SMB/HoD's	1	23.05.08	
204	Explanations of variations between Original Estimate for 2007/08, Revised 7/8 and Outturn (over £50k) to be completed for all Capital & Revenue accounts,	3	23.05.08	
205	Run Crystal reports for production of Cash Flow Statement	2	23.05.08	
206	Complete Note 7 to I & E a/c re Agency Payments	1	23.05.08	
207	Complete Note 18 to Balance Sheet-Contingent Liabilities	1	28.05.08	
208	Complete Note 19 to Balance Sheet-Contingent Assets	1	28.05.08	
209	Complete Note 20 to Balance Sheet-Events after the Balance Sheet date	1	28.05.08	
210	Complete Statement of Total Movement on the G F Balance & reconciling items statement	1	28.05.08	
211	Complete Notes to the Statement of Movement on GF Balance	1	28.05.08	

212	Complete Note 2 to the Statement of Total Movement in Reserves-Movement in realised capital resources	1	28.05.08	
213	Note 2 (d) to Balance Sheet-Analysis of Community Assets	1	28.05.08	
214	Complete Note 4 Movement in Reserves-Movements in amounts set aside to finance capital investment	1	28.05.08	
215	Complete closedown entries for Capital Accounts	1	28.05.08	
216	Director of Central Services to agree Reserves Statement	2	28.05.08	
217	Complete Income & Expenditure Account	3	28.05.08	
218	Complete Reconciling Items for the Statement of Movements on the GF	1	28.05.08	
219	Complete Note 5 to I&E a/c-Publicity Account	1	28.05.08	
220	DCS/H of F to approve I&E a/c and relevant page in Statement of Accounts	3	28.05.08	
221	Note 17 to Balance Sheet-Analysis of Net Assets Employed	2	28.05.08	
222	Complete Explanatory Foreword to Statement of Accounts	3	28.05.08	
223	Complete Note 8 to I & E a/c re LA Goods & Services	1	28.05.08	
224	Complete Note 1 to the Cash Flow Statement-A reconciliation of I & E a/c revenue activities	1	28.05.08	
225	Complete Note 3 to the Cash Flow Statement-Analysis of Government Grants	1	28.05.08	
226	Complete Note 2 to the Cash Flow Analysis of movement in net cash & investments	1	28.05.08	
227	Note 25 to Balance Sheet-Date of Authorisation	1	28.05.08	
228	Submit Housing/Council Tax benefit Final subsidy claim form to DWP & DA	35	28.05.08	
229	Submit discretionary housing payments 2006/07 final claim to DWP	1	28.05.08	
230	Draft revenue & capital outturn reports for Finance to DCS	5	28.05.08	
231	Carry forward balances on Statement of Accounts to be reconciled to Ledger balances & to working papers	3	28.05.08	
232	Prepare Glossary of Terms	1	28.05.08	
233	Write to District Auditor to request appointed date for audit	1	28.05.08	
234	HRA summary information to be completed	5	30.05.08	
235	Comments returned from DA on Annual Governance Statement	1	30.05.08	
236	Annual Governance Statement approved	1	30.05.08	
237	Complete STRGL & reconcile to Balance Sheet value change in year	3	30.05.08	
JUNE 2008				
238	Complete Balance Sheet and Statement of Accounts page re Balance Sheet	5	02.06.08	
239	Complete Cash Flow Statement	3	03.06.08	

240	Draft Statement of Accounts passed to DCS for approval	3	04.06.08	
241	Check Debtors/Creditors to ensure no netting off			
242	SMB to consider draft revenue & capital outturn reports to Finance Committee	1	11.06.08	
243	SMB to consider Finance Committee report on Annual Governance Statement	1	11.06.08	
244	Check DCLG website to confirm correct WGA spreadsheet ready for completion	1	18.06.08	
245	Finance Committee report on Annual Governance Statement dispatched by Democratic Services	1	18.06.08	
246	Final outturn reports to Finance Committee passed to Democratic Services for dispatch	1	18.06.08	
247	Send report and Statement of Accounts for Finance Committee to Democratic Services for dispatch	1	18.06.08	
248	Finance Committee to approve Draft Annual Governance Statement	1	26.06.08	
249	Finance Committee to consider Revenue & Capital Outturn reports	1	26.06.08	
250	Finance Committee to approve Statement of Accounts	1	26.06.08	
251	Copy of Statement of Accounts to District Auditor	1	30.06.08	
252	Complete draft Whole of Government Accounts to agree to Final Balance Sheet	3	30.06.08	
253	Submit NNDR 3 for audit to DA	1	30.06.08	
	JULY 2008			
254	Revenue Outturn Return completed to DCLG	5	11.07.08	
255	Complete return to DCLG on Capitalisation of redundancies	2	15.07.08	
256	Working Papers (CD/Paper) to be supplied to DA	5	04.08.08	
257	Statutory advert in newspapers	1	To be advised	
258	Capital Outturn return completed to DCLG	5	21.07.08	
259	Complete SORP Disclosure checklist	1	31.07.08	
260	Complete Resource Accounting checklist	1	31.07.08	
261	VAT Account balanced & journals completed	2	31.07.08	
	AUGUST/SEPTEMBER 2008			
262	External Auditors commence work (4 weeks)	20	To be advised	
263	Copy advert to District Auditor	1	To be advised	
264	Copy of draft Statement of Accounts in Reception	1	To be advised	

265	Appointed Day for Audit	1	To be advised	
266	Whole of Government Accounts return completed	5	29.08.08	
267	Finance Committee to approve 2007/08 Treasury Management outturn report	1	To be advised	
268	Submit audited NNDR 3 to DCLG	1	29.08.08	
269	Performance Select Committee to consider Annual Governance Statement/IS260	1	23.09.08	
	KEY TO STATEMENT SECTION SHADING			
	Income & Expenditure a/c			
	Balance Sheet			
	HRA			
	Collection Fund			

Appendix Five – District Audit Working Paper Requirement

Authority:	Uttlesford District Council
Authority contact:	David Bradley
Agreed date for working papers to be provided:	TBA
Audit Commission contact to be informed when working papers prepared:	Melanie Matthews (0844 798 3066)

IMPORTANT INFORMATION

This document is split into three sections:

- **LEVEL 1** - Working papers that must be available prior to starting the audit (availability to be checked by auditor a week before audit commences).
- **LEVEL 2** - Working papers that should be provided at the start of the audit.
- **LEVEL 3** - Best practice working papers.

This document will be used to inform auditors when making their Use of Resources (UoR) assessment on the authority's performance in producing statements.

Level 1 and 2 working papers must be provided at the start of the audit to meet the Financial Reporting UoR score 2 criteria for provision of working papers. Level 3 working papers must be provided at the start of the audit to meet the Financial Reporting UoR score 4 criteria for provision of working papers. Provision of some, but not all, level 3 working papers would result in a score of 3.

This document sets out the working papers required to complete the audit. This list is not exhaustive and others may be required during the course of the audit. Working paper files do not need to be presented in this format, but this document should be cross referenced so that the auditor can locate supporting evidence. The onus is on the authority to ensure its statements are fully supported by working papers.

The Audit Commission uses an auditing software package that encourages the use of electronic working papers. As such, we would request that wherever possible electronic copies of audit trail supporting the Financial Statements are provided.

All questions should be directed at the Audit Commission contact noted above.

	Working Paper Requirement	Completed Yes / No / N/A	Responsible Officer	WP Ref
LEVEL 1 - Working papers that must be available prior to starting the audit (availability to be checked by auditor a week before audit commences).				
1	<u>Statement of Accounts</u> Complete copy of the adopted statement of accounts, including signatures of the responsible financial officer and Member presiding at the meeting that approved the accounts.			
2	<u>Trial Balance</u> Copy of final ledger trial balance to support all entries in the statements. Where necessary a spreadsheet should be provided for all ledger codes by accounting group to provide a clear trail to the accounting statements. Ensure that all statements are supported.			
3	<u>Adjustments</u> List of all adjustments made between ledger closedown and accounts preparation. This should include a description and justification for the adjustment.			
4	<u>Journals</u> List of all material journal entries in periods 12 and 13. Speak to Audit Commission contact for materiality level to be applied.			
5	<u>Consolidation of HRA into the Income & Expenditure Account</u> Provide details of how the HRA has been consolidated into the Income & Expenditure Account.			
6	<u>Exceptional and Extraordinary Items (including Prior Period Adjustments)</u> Please provide schedule identifying transactions and explanation of accounting treatment in accordance with the SoRP.			
7	<u>Restated 2006/07 figures</u> Provide supporting schedules and explanations for all restated 2006/07 figures. This should include a working paper proving opening balances in the general ledger agree to the prior year audited closing balances.			
8	<u>Cash & Bank</u> Provide an analysis of cash and bank balances/ overdrafts within the accounts supported by: <ul style="list-style-type: none"> • year end bank reconciliations which agrees to the Balance Sheet cash figure • bank statements • unpresented cheque list at year end • evidence of all cash in transit at year end and subsequent banking • list of petty cash holdings 			

9	<p><u>Related party transactions</u> Procedure note explaining the process undertaken to identify related party transactions. Related party transaction returns from all Members and Chief Officers. Analysis of expenditure of all interests recorded in the register of interests for Members and Officers.</p>			
10	<p><u>Annual Governance Statement</u> Provide evidence to support the review of the Annual Governance Statement and the assurance gathering process. This should include:</p> <ul style="list-style-type: none"> • process to identify principal risks to achievement of organisational objectives and statutory obligations • an evaluation of the controls identified to manage these risks, and assurance on the effectiveness of these controls • Internal Audit annual report • review of the effectiveness of the system of Internal Audit • process to evaluate obtained assurance and identify gaps in controls/ assurance. 			
11	<p><u>Control Accounts</u> Provide a control schedule demonstrating that all feeder systems and control accounts have been reconciled and reviewed at year end. Reconciliations to the general ledger for the following systems:</p> <ul style="list-style-type: none"> • Accounts Payable • Accounts Receivable • Payroll • Housing Benefits • Housing Rents • Council Tax • NDR • Fixed Assets • Investments 			
12	<p><u>Debtors</u> Provide an analysis of debtor balances within the statement of accounts and demonstrate how this links to the year end debtor control account reconciliation. This should include a year end sundry debtors report which itemises amounts due and reconciles to the balance sheet sundry debtors figure.</p>			
13	<p><u>Creditors</u> Provide an analysis of creditor balances within the statement of accounts and demonstrate how this links to the year end creditor control account reconciliation. This should include a year end sundry creditors report which itemises amounts due and reconciles to the balance sheet sundry creditors figure.</p>			

14	<u>Pension Schemes</u> Schedule setting out FRS17 accounting entries made including apportionment of costs over cost of services and supporting evidence for all Pension Scheme disclosures. Actuary valuation report.			
15	<u>Statement of Total Recognised Gains & Losses (STRGL)</u> Schedule to support all STRGL entries which reconciles to the other accounting statements and the ledger.			
16	<u>Cash Flow Statement</u> Working papers showing how the cash flow statement has been derived from the other accounting statements and ledger including: <ul style="list-style-type: none"> • adjustments for opening and closing debtors and creditors within the statements • evidence for any adjustments made for non-cash transactions • analysis showing how payments to employees reconciles to the payroll system 			
17	<u>Collection Fund</u> Year end summary reports from feeder systems used to prepare the statement.			
18	<u>Cut off procedures</u> Provide a schedule of income received and payments made in month 12 of the old year and months 1 and 2 of the new year. Speak to Audit Commission contact to agree scope of data enquiry.			

LEVEL 2 - Working papers that should be provided at the start of the audit.

STATEMENTS - GENERAL

	Working Paper Requirement	Completed Yes / No / N/A	Responsible Officer	WP Ref
19	<u>Estimates</u> Details of significant estimates within the statements supported by underlying data or evidence.			
20	<u>Minuted approval</u> Copy of the minute (draft) formally adopting the accounts.			
21	<u>Explanatory Foreword</u> Reconciliation of all financial disclosures in the explanatory foreword to the entries in the statements.			
22	<u>SoRP disclosure checklist</u> Completed and fully evidenced SoRP disclosure checklist.			

23	<u>Accounting Policies</u> Evidence of the accounting policies review as required by FRS18 to ensure that policies are appropriate to the present circumstances of the organisation. Highlight any changes or additions to the statement of accounting policies in comparison with the previous year.			
INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE				
24	<u>Gain or loss on disposal of fixed assets</u> Analysis of fixed assets disposed showing: <ul style="list-style-type: none"> • Value of fixed asset prior to disposal, this should show latest valuation date. • Proceeds from sale, including date of sale and cost of sale. 			
25	<u>Precepts of local precepting authorities</u> Supporting evidence of precepts.			
26	<u>Surplus or deficit of trading undertakings</u> Supporting working papers showing surplus/ deficit of trading operating where not allocated back to services as internal trading surpluses or deficits.			
27	<u>Interest payable and similar charges</u> Schedule of interest payable. Supporting working paper for gains and losses on the repurchase or early settlement of borrowing taken to revenue and amortisation of gains and losses on repurchase or early settlement of borrowing carried forward in accordance with the SORP.			
28	<u>Amounts payable into the Housing Capital Receipts Pool</u> Supporting evidence of contributions to the Housing Pooled Capital Receipts in relation to specified housing related capital receipts			
29	<u>Interest and investment income</u> Supporting schedules for any interest and investment income.			
30	<u>Income from Collection Fund</u> Documentary evidence to support this figure.			
31	<u>Government grants</u> Working paper showing government grants received not attributable to specific services and supporting payment schedules.			
32	<u>Distribution from Non-domestic rate pool</u> Copy of correspondence confirming Authority's share of National NDR pool and payments schedule.			
33	<u>Severance/ early retirement</u> Provide a list of severance/ early retirement payments made during the year.			

BALANCE SHEET				
34	<p><u>Intangible Assets</u></p> <p>Provide evidence of review and reclassification or any deferred charges retained as Intangible Assets.</p> <p>Provide details of intangible assets amortised to revenue during the year, evidence of classification, details of service account bearing charge, basis of amortisation and details of double entry made to reverse entry, via the SMG, to the Capital Adjustment Account (CAA)..</p> <p>Ensure this reconciles to accounting statement and general ledger.</p> <p>If third party capital expenditure is incurred by the authority which is entirely amortised (i.e. where there is no continuing economic benefit) provide support for related note to the balance sheet.</p>			
35	<p><u>Fixed asset Revaluations</u></p> <p>Copy of revaluation timetable, updated to show revaluations completed in year.</p> <p>Schedule of revaluations undertaken to support analysis in note to the accounting statement. This should clearly set out the new valuation and remaining useful life of the asset.</p> <p>Cross reference revaluations to relevant movement of Fixed Asset Revaluation Reserve (FARR)/ or CAA.</p> <p>Contact details for officer responsible for asset revaluations undertaken.</p>			
36	<p><u>Fixed asset Depreciation</u></p> <p>Extract from asset register supporting entries in accounts. This should contain for all individual assets:</p> <ul style="list-style-type: none"> • Asset classification • latest valuation • estimated asset life • depreciation method used • accumulated depreciation and in-year depreciation charged. • Schedule of depreciation charges made to service revenue accounts. Ensure this reconciles to overall depreciation charge. 			
37	<p><u>Fixed asset Additions</u></p> <p>Schedule identifying all capitalised expenditure in accounting statement. Please reconcile this to asset register and general ledger.</p> <p>Copy of approved capital programme for accounting year (latest version including approved amendments).</p> <p>Identify and explain any major discrepancies between approved capital programme and capitalised expenditure included in accounting statement.</p> <p>Provide schedule of capital accruals included in the accounting statement, and ensure consistency to creditors note.</p> <p>Identify any asset additions under compulsory Purchase Orders and provide details of Accounting entries (Ensure Additions per Fixed Asset Note Reconcile to Financing Note)</p>			

38	<p><u>Fixed asset Disposals</u> Schedule identifying all disposals by asset category. Please reconcile this to asset register and general ledger. Copy of approved disposals programme for accounting year (latest version including approved amendments). Identify and explain any major discrepancies between approved disposals programme and asset disposals included in accounting statement. Reconcile asset disposals included in accounting statement and capital receipts received (reserved/ usable) during the year. Cross reference disposals to relevant movement on CAA and FARR where appropriate. Ensure reconciles to 24 above for profit/loss on disposal</p>			
39	<p><u>Fixed asset Transfers between asset classes</u> Ensure that all transfers between classes are identified and accounted separately to revaluations.</p>			
40	<p><u>Fixed Assets –Operational and Non-Operational Assets</u> Provide evidence of review of asset classifications in line with definitions. For all assets under construction, please provide full details of the scheme, and expected completion/ operational date. Please provide a schedule of all assets transferred between operational and non-operational categories (and vice-versa) please, together with short explanation of re-categorisation.</p>			
41	<p><u>Fixed asset Impairments</u> Provide evidence that all assets have been considered for impairment in accordance with FRS11. Include copy of impairment reports (prepared by a RICS qualified surveyor) For any impairment charged to I&E, provide analysis to support accounting treatment under FRS11. (For both market value and consumption of economic benefit impairments).</p>			
42	<p><u>Long term investments</u> Supporting evidence for all long term investments held. This should include copies of company accounts where investments in companies are held.</p>			
43	<p><u>Long Term Debtors</u> Provide schedule of all long term debtors included in the accounting statement and corresponding write down of deferred capital receipts and the realisation of usable capital receipts. Evidence consistency with corresponding entries in long term liabilities where applicable.</p>			
44	<p><u>Deferred premiums on early repayment of debt</u> Supporting schedule for deferred premiums.</p>			
45	<p><u>Current Assets – Stocks</u> Provide analysis of stock balances agreeing to ledger and accounting statement. Provide signed stock certificates from year-end stock takes to support the balances.</p>			

46	<p><u>Current Assets – Bad Debt Provision</u></p> <p>Provide copy of bad debt calculation with supporting aged debtor listing at year end, demonstrating compliance with FRS 12</p>			
47	<p><u>Current Assets – Investments</u></p> <p>Provide schedule of all investments included in accounting statement.</p>			
48	<p><u>Suspense and Holding Accounts</u></p> <p>Provide a schedule of all suspense and holding accounts, explaining the purpose of each account and the balance at year end. This should set out the reason for each suspense account that does not have a zero balance at year end. Please identify the responsible officer for each suspense/holding account.</p> <p>Copy of the year end reconciliation of each account where applicable, and evidence to support appropriate transfers to I&E.</p>			
49	<p><u>Short and Long Term Borrowing</u></p> <p>Please provide a schedule supporting entry in accounting statement. Please identify form of loan, term of and any repayments due (for direct verification purposes).</p> <p>For loans redeemed in year please provide correspondence supporting discharge of debt.</p>			
50	<p><u>Deferred Liabilities</u></p> <p>Provide analysis to support figure in statement of account.</p>			
51	<p><u>Government Grants – deferred</u></p> <p>Provide schedule to support remaining balance in this account</p> <p>Explain method employed to amortise deferred Govt grant and cross refer to depreciation policy to demonstrate consistency.</p> <p>Ensure there is an audit trail between the remaining balance of government grants and assets financed by them.</p>			
52	<p><u>Deferred Credits</u></p> <p>Provide analysis to support figure in statement of account.</p>			
53	<p><u>Deferred discounts on early repayment of debt</u></p> <p>Supporting schedule for deferred discounts.</p>			
54	<p><u>Provisions</u></p> <p>Even if not separately disclosed in the accounting statements, please provide a schedule of all provisions included in the Annual Accounts.</p> <p>For each provision, please provide:</p> <ul style="list-style-type: none"> • Date established • Explanation of potential liability in accordance with FRS12 (please provide documentary evidence supporting this assessment) • Details of accounting entries charged to (or released from) provisions. Copies of the journals supporting the double entry for these movements should be included. 			

	<ul style="list-style-type: none"> Date of latest review and assessment of the liability <p>Ensure that any insurance provision is separately documented with an explanation of the balance and risk.</p> <p>Ensure that any unfunded material insurance risks are documented and included in the accounting statement.</p>			
55	<p><u>Financial Instruments</u></p> <p>Provide working papers to support the seven-step process for making transitional accounting adjustments for financial instruments, as set out in the 2007 SORP:</p> <ul style="list-style-type: none"> determine which financial instruments need to be recognised in the Balance Sheet and, consequently those that now need to be derecognised, this should clearly set out any changes to opening balances classify the instruments that remain in restated Balance Sheet into the new categories set out in SORP identify the assets and liabilities to be measured at fair value, amortised cost or cost and account for any necessary re-measurements assess whether any impairment write-downs or provisions previously made need to be reversed (or new write-downs/provisions made) adjust soft loans to fair value recognise and measure any derivatives and/or embedded derivatives effect the adjustments permitted by regulations/statutory guidance in the Statement of Movement on the General Fund Balance to neutralise impacts on council tax. 			
56	<p><u>Fixed Asset Revaluation Reserve</u></p> <p>Provide ledger copy of transactions in the Fixed Asset Revaluation Reserve. Ensure this reconciles to the Accounting statements.</p> <p>Ensure that the movements are only those as prescribed by the CIPFA Capital Accounting regulations, that:</p> <ul style="list-style-type: none"> opening balance set at zero credit – revaluation gains debit – write down of revaluation gains where asset subject to depreciation debit – impairment losses charged to I & E Account because of clear consumption, where balance available in FARR to absorb downward revaluation debit – write out revaluation gains on disposal of asset. = closing balance <p>Note, the records to support the above entries should be on an individual asset level.</p>			
57	<p><u>Capital Financing</u></p> <p>Provide capital justification statement to show capital expenditure and financing for the year on a full accruals basis. Ensure this reconciles to disclosures made in the statement of accounts</p> <p>Provide reconciliation statement for both opening and closing CFR balance to the Balance Sheet.</p> <p>Provide year end schedule of capital receipts including any reductions in receipts. Reconcile to movement on capital receipts reserve (on an accruals basis).</p>			

	Schedule of specified capital grants received in year with supporting correspondence – reconcile to ledger.			
58	<p><u>Capital Adjustment Account</u></p> <p>Provide ledger copy of transactions in the CAA. Ensure this reconciles to the Accounting statements and that the entries comply with those set out in the SORP:</p> <ul style="list-style-type: none"> • debited with the historical cost of acquiring, creating or enhancing fixed assets, over the life of those assets; • debited with the historical cost of deferred charges (capital expenditure as defined by statute that does not result in the acquisition, creation or enhancement of fixed assets), over the period that the authority benefits from the expenditure; and • credited with resources set aside to finance capital expenditure. 			
59	<p><u>Useable Capital Receipts Reserve</u></p> <p>Provide ledger copy of transactions in the usable capital receipts reserve. Ensure this reconciles to the Accounting statement for:</p> <ul style="list-style-type: none"> • Disposal of assets in year, including movements in HRA housing stock. • Capital financing note 			
	<p><u>Available-for-Sale Reserve</u></p> <p>Provide ledger copy of transactions to support any gains and losses arising from the policy of carrying available-for-sale financial assets at fair value.</p>			
60	<p><u>Financial Instruments Adjustment Account</u></p> <p>Provide ledger copy of transactions to support any accumulated difference between the financing costs included in the Income and Expenditure Account and the accumulated financing costs required in accordance with regulations to be charged to the General Fund Balance.</p>			
61	<p><u>Other reserves</u></p> <p>Provide ledger copies of reserve transactions and reconcile to statement of account.</p> <p>Where reserve has not been explained above, please provide schedule outlining main elements and copy of committee minute approving any appropriations to/ from these items.</p> <p>Justify all non-statutory reserves in accordance with FRS12 to ensure that no provisions are being incorrectly shown as reserves.</p>			
INFORMATION IN NOTES TO THE CORE FINANCIAL STATEMENTS				
62	<p><u>Acquired or Discontinued Operations (IF ANY)</u></p> <p>Please provide schedule supporting any entries including: Details of outstanding liabilities/ commitments and date of COMPLETION of termination (if discontinued operation).</p>			
63	<p><u>Long term Contracts</u></p> <p>Schedule identifying transactions and explanation of accounting treatment in accordance with the SoRP.</p>			

64	<u>Nature, turnover, and profits/losses of any significant trading operation</u> Supporting evidence for information disclosed in relation to trading operations.			
65	<u>Building Control Account</u> Please provide copy of original budget for the Building Control trading account. Identify and explain all significant variances between original budget and out-turn. Ensure building control account contains all required narrative disclosures as required by the SoRP.			
66	<u>Partnership Schemes under the Health Act 1999/ Pooled Budget Arrangements</u> Note identifying all pooled budget arrangements in which the Council participated during the year, or confirming none. If the Council is a partner body provide a copy of the Memorandum Account as soon as possible. Analysis of the Council's share of the assets and liabilities of the Pool and confirm that they have been included in the council's Balance Sheet as required by FRS9. A list of all partnerships under this act supporting the disclosure as required by the SoRP. An explanation of the steps the authority has taken to ensure all such Partnerships are identified. Supporting (audited if available) records for partnership schemes administered by other bodies other than Council.			
67	<u>Officers' remuneration</u> Schedule identifying items included within each line, by individual officer. Explanation of major changes in Officers' Emoluments from prior year.			
68	<u>Members' allowances</u> Schedule of members' allowances reconciled to payroll records.			
69	<u>Minimum revenue provision</u> Workings and minutes to support any additional voluntary set aside.			
70	<u>Note of reconciling items for the statement of Movement on the General Fund Balance</u> Supporting working papers for all reconciling items, e.g. amortisation of intangible fixed assets.			
71	<u>Summary of capital expenditure and fixed asset disposals</u> A breakdown of all capital expenditure and fixed asset disposals during the year, including assets acquired under finance leases, analysed for each category of fixed assets, together with sources of finance. Supporting evidence for sources of finance.			
72	<u>Deferred charges</u> Supporting evidence for analysis of movement on deferred charges.			
73	<u>Capital commitments</u> Please provide a schedule of all contracts for capital investment that the authority has entered into, their purpose, the approximate value and the period over which the investment will take place.			

	Provide the relevant evidence for the value of the commitment disclosed in the statements, e.g. extracts from business case, agreed tender fees, valuation reports.			
74	<p><u>Leases – disclosures by lessees</u></p> <p>Supporting evidence for:</p> <ul style="list-style-type: none"> • any finance and operating lease rentals paid to lessors in year • the gross amount of assets held under finance leases and related accumulated depreciation, for each category of asset. • the amount of obligations related to finance leases • copies of significant new leases entered into in the financial year. • in respect of operating leases payments the authority is committed to make analyses per the SORP. 			
75	<p><u>Leases – disclosures by lessors</u></p> <p>Supporting evidence for:</p> <ul style="list-style-type: none"> • aggregate rentals receivable in the year • net investment in finance leases/hp contracts • gross amount of asset held for use in operating leases • the cost of assets acquired for the purpose of letting under finance leases. 			
76	<p><u>Contingent Liabilities/ contingent liabilities</u></p> <p>Provide analysis to support note in accounting statement (where appropriate). Evidence conformity with FRS 12 requirements.</p>			
77	<p><u>Post Balance Sheet Events</u></p> <p>Provide analysis to support note in accounting statement (where appropriate)</p> <p>Please provide documentary support for any PBSE included in the statements</p> <p>Provide explanation of how the authority has assured that all PBSEs have been included.</p>			
78	<p><u>Reserves and Balances held by schools under delegated schemes (if appropriate)</u></p> <p>Where included, provide a breakdown by school of balances included in this figure and support with extract from general ledger.</p>			
79	<p><u>Gross Rents</u></p> <p>Copy of year end reconciliation of rental income (Dwelling and Non dwelling) between the Housing Rents System and the General Ledger. Balances in the reconciliation derived from the Housing Rents System should be supported by underlying system prints. A clear trail from the General Ledger to gross rents per the financial statements should also be provided.</p>			
80	<p><u>Charges for services and facilities</u></p> <p>Provide a breakdown of the charges for services and facilities, including ledger codes for further interrogation.</p>			
81	<p><u>HRA Subsidy Receivable (or transferable to General Fund)</u></p> <p>If available please provide a copy of the HRA Subsidy Final Grant Claim (HOU1). If not available, please provide support for the estimated balance.</p>			

82	<u>Repairs & maintenance or contribution to/from the Housing Repairs account.</u> Please provide an analysis of the movements and double entry of the Housing repairs account for the financial year.			
83	<u>Supervision and Management</u> Please provide a schedule supporting the entry for Supervision and Management.			
84	<u>Depreciation and impairment of fixed assets</u> Please provide evidence showing that the depreciation and impairment shown in the HRA are consistent and/or reconcilable with the balances shown in the Fixed asset note to the balance sheet.			
85	<u>Sums directed by the Secretary of State</u> Provide supporting schedule and justification for any Sums directed by the Secretary of State that are income or expenditure in accordance with UK GAAP.			
86	<u>Amounts included in the whole authority Net Cost of Services but not allocated to specific services</u> Provide schedule that demonstrates how the HRA share of Corporate and Democratic Core, and any other amounts that are included in the whole authority Net Cost of Services but not allocated to specific services have been calculated.			
87	<u>HRA share of other operating income and expenditure</u> Provide supporting schedules for: <ul style="list-style-type: none"> • The value of premiums or discounts, and the life over which these are to be amortised. • Gains and losses on the sale of HRA fixed assets. • Interest payable and similar charges. • Interest and investment income. 			
STATEMENT OF MOVEMENT ON THE HOUSING REVENUE ACCOUNT BALANCE				
88	<u>Additional items to be taken into account in determining the movement in the Housing Revenue Account Balance</u> Please provide supporting schedules for: <ul style="list-style-type: none"> • Interest payable in accordance with statute. • The difference between any other items determined in accordance with SORP and determined in accordance with statutory HRA requirements. • HRA share of contributions to or from the Pensions Reserve. • Capital spend funded from the HRA. • HRA share of MRP. • Transfers to/ from Major Repairs Reserve and Housing Repairs Accounts. This should include ledger prints for all entries and a schedule setting out the double entries in-year. • Sums directed by the Secretary of State to be debited or credited to the HRA that are not income and expenditure in accordance with UK GAAP. 			
Notes to the Housing Revenue Account Income and Expenditure Account				
89	<u>Stock analysis and balance sheet values.</u>			

	<p>Please provide an analysis of the following items as at the start and end of the financial year:</p> <ul style="list-style-type: none"> • Number and type of dwelling, reconciled to the Advanced Housing Subsidy return for the same dates, and the housing stock valuation records. • Value of operational HRA assets reconciled to: <ul style="list-style-type: none"> ○ the Fixed asset note to the balance sheet ○ depreciation and impairment charged in-year • Value of non-operational HRA assets reconciled to the fixed asset note to the balance sheet. 			
90	<p><u>Capital Expenditure</u> Provide support schedules for total HRA capital expenditure, broken down according to the source of funding.</p>			
91	<p><u>Capital Receipts</u> Provide a schedule of capital receipts from the disposal of HRA land, houses and other property.</p>			
COLLECTION FUND				
92	<p><u>Income for Council Tax</u> Please show clearly the income receivable from council tax, and where it has come from on the systems reconciliation. Ensure the entry is net of, and support working papers identify, benefits, discounts for prompt payment and transitional relief.</p>			
93	<p><u>General Fund Transfers</u></p> <ul style="list-style-type: none"> • Please provide a schedule identifying the Council Tax benefits, discounts and transitional reliefs awarded. • Please show clearly where these entries are contained in the systems reconciliation. <p>Provide an analysis of the equivalent codes in the General Fund to prove the double entry.</p>			
94	<p><u>Income collectable from business rate payers</u> Provide a schedule showing the NDR income, reconciled to the entries in the year-end NDR3 return.</p>			
95	<p><u>Precepts</u> Please provide copies of all precept demands received – ensure these reconcile to the accounting statement.</p>			
96	<p><u>Business rates</u> Provide supporting evidence for the payment to the national pool, and the cost of collection calculation. Ensure that these are reconciled to the NDR3 return.</p>			
97	<p><u>Bad and Doubtful debts provision</u></p> <ul style="list-style-type: none"> • Provide working paper supporting the calculation of the bad debt provision. • Please provide year-end aged debt report for Council Tax and Business rates • Provide latest aged debt report for Council Tax and Business rates • Provide a summary of the write offs authorised in year, and the authorisations. 			
Notes to the Collection Fund				

98	<u>Council Tax</u> Provide the calculation of the council tax base and reconciliation to the approved budget for the year.			
Whole of Government Accounts (WGA)				
99	Working papers to support the WGA return.			

LEVEL 3 – Best practice working papers.

	Working Paper Requirement	Completed Yes / No / N/A	Responsible Officer	WP Ref
INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF MOVEMENT ON THE GENERAL FUND BALANCE				
100	<u>Analytical Review/ Budgetary Control</u> Working paper to demonstrate that the final out-turn (actuals, gross) as per the budgetary control system is consistent with the actual income and expenditure on the financial statements. For each line, compare with previous year. Provide explanation for all significant movements (amount to be agreed with auditor) on any line and support by evidence.			
101	<u>Reasonableness of payroll charge</u> Please provide the current year and prior year payroll charge, the number of FTE staff numbers at the start and end of the year, and the date and percentage increase for any pay awards made in the year.			
102	<u>Group Accounts</u> Please provide details of all: <ul style="list-style-type: none"> • Subsidiary /Associated Companies • Joint ventures (this includes any partnerships, e.g.: SRB, Sure-Start) • Joint arrangements that do not create an entity (e.g. Joint Committees). entered into by the Authority. (Note; minority interests should be included if they involve material investment by the Authority) Provide an explanation of the steps that the authority has applied to ensure it identified all such ventures including application of entity classifications and materiality in so doing. Where group accounts have NOT been prepared, please provide a working paper explaining the rationale behind this accounting treatment (refer to SORP and FRS9)			
BALANCE SHEET				
103	<u>Analytical Review</u> For all items on the face of the balance sheet, compare with previous year. Provide explanation for all significant movements (amount to be agreed with auditor) on any line and support by evidence.			
104	<u>Current Liabilities – Creditors and receipts in advance</u> Compare with previous year. Provide explanation for significant movements (amount will need to be agreed with auditor) on any line and support by evidence.			

105	<u>Current Assets – Debtors and payments in advance</u> Compare with previous year. Provide explanation for significant movements (amount will need to be agreed with auditor) on any line and support by evidence.			
106	<u>Current Assets – Cash and Bank</u> Provide: <ul style="list-style-type: none"> • first bank reconciliation completed in subsequent accounting year • List of cheques remaining un-presented from 31 March at the date of audit. 			
107	<u>Capital Financing</u> A completed Capital Financing Checklist accompanied by working papers to support the responses made.			
108	<u>Capital Accounting</u> A completed Capital Accounting Checklist accompanied by working papers to support the responses made.			
109	<u>Grant Claims</u> Reconciliation of the major grant claims to the year end balance sheet figures. Speak to the Audit Commission contact to agree the material grant claims that should be included. For the Housing Benefits claim this should include the reconciliation of Non HRA Rent Rebate, HRA Rent Rebates, Rent Allowances and Council Tax Benefit expenditure entries to general ledger expenditure codes.			
110	<u>VAT</u> Copy of VAT return and year end reconciliation to the balance sheet figure.			
111	<u>Current Assets – Debtors and payments in advance</u> Aged analysis of debtors.			
INFORMATION IN NOTES TO THE CORE FINANCIAL STATEMENTS				
112	<u>Expenditure under S137</u> Supporting working paper for figure disclosed.			
113	<u>Publicity</u> Please provide schedule of all expenditure on publicity incurred by the Authority under s5 of the LGA 1986. This should reconcile to the ledger and the statement of account.			
114	<u>Agency income and expenditure</u> Please provide details of how these sums are accounted for within the general ledger and any consolidation entries to remove these items from the net cost of services. Confirm no disputes exist at current date that cast doubt on figures reported or are likely to lead to increased liabilities (or require a provision).			
115	<u>Transport Act 2000</u> Details of the relevant schemes under this act, both authority's own schemes and joint schemes.			

	Explanation of the steps the authority has taken to ensure all such schemes are identified.			
116	<u>Local Authorities (Goods and Services) Act 1970 Income</u> Please provide schedule identifying items included in this note.			
117	<u>Audit fees</u> Supporting evidence for fees paid.			
118	<u>Information on tangible fixed assets held</u> Supporting evidence for disclosure, eg extracts from asset register. Please identify and explain any major changes in the numbers of assets held.			
119	<u>Assets recognised under a PFI agreement</u> Provide support for any disclosures relating to PFI such as: <ul style="list-style-type: none"> • Whether on/off balance sheet • Disclosure of future revenue flows • Calculation of sinking fund etc where payments are not evenly distributed over the period of the contract • Balances arising from up front contributions of cash or other assets • Provisions for site clearance at contract end. 			
120	<u>Trust Funds</u> Provide analysis to support note in accounting statement (where appropriate). Provide extract from General Ledger to support amounts included in Accounting statement Please identify if any funds have separate external auditors and ensure a copy of the external auditors' opinion on those funds is included in the working papers.			
121	<u>Related party transactions</u> Rationale of why member/ officer disclosed transactions are/ are not included in the related party transactions note.			
HOUSING REVENUE ACCOUNT INCOME AND EXPENDITURE ACCOUNT				
122	<u>Overall reasonableness review – housing rents</u> Extract from relevant minutes to show annual rent increase and number of rent weeks for the year Opening and closing number of council dwellings, reconciled to the Advance Housing Subsidy return.			
123	<u>HRA Resource Accounting Checklist</u> A completed HRA Resource Accounting Checklist accompanied by working papers to support the responses made.			
124	<u>Overall reasonableness review</u> Copy of final monitoring report to show budget to outturn for HRA. This should be supported by clear, evidenced explanations for final variations between budget and actual expenditure and income. For all lines, compare figures with previous year. Provide explanations for significant movements (amount to be agreed with auditor).			
Notes to the Housing Revenue Account Income and Expenditure Account				

125	<p><u>Vacant Possessions</u></p> <p>Please provide a schedule supported by relevant extracts from the housing rent system detailing the calculation of the vacant possession value of housing assets as at 1 April of the year.</p>			
126	<p><u>Capital Financing</u></p> <p>Please provide a schedule supporting the entries for capital expenditure in the year from:</p> <ul style="list-style-type: none"> • Borrowing • RCCO • Usable capital receipts • MRR. 			
127	<p><u>Capital Financing – disposals</u></p> <p>Provide a schedule summarising the capital receipts in year from disposal of HRA assets.</p>			
COLLECTION FUND				
128	<p><u>Collection Fund analytical review</u></p> <ul style="list-style-type: none"> • For all items on the face of the accounting statement, compare with previous year. Provide explanation for significant movements (amount will need to be agreed with auditor) on any line and support by evidence. See attached guidance on analytical review. • Please relate appropriate variances to: <ul style="list-style-type: none"> ○ Changes in NDR multiplier ○ Average council tax charge ○ Income collection rates 			