**Performance and Resources Scrutiny Programme 2018/2019**

**Report to: the Office of the Police, Fire and Crime Commissioner for Essex**

|  |  |
| --- | --- |
| **Title of Report:** | **2018/19 Closure of Accounts Timetable** |
| **Agenda Number:** | **8** |
| **Chief Officer** | **Mark Gilmartin, Director of Essex and Kent Support Services** |
| **Date Paper was Written** | **20th February 2019** |
| **Version Number** | **Version 1** |
| **Report from:**  | **Essex Police: Corporate Finance** |
| **Date of Meeting:** | **28th February 2019** |
| **Author on behalf of Chief Officer:** | **Denise Breckon, Chief Accountant** |
| **Date of Approval:** | **20th February 2019** |

1. **Purpose of Report**
	1. This report sets out the 2018/19 closure programme incorporating the timetable of producing the Statement of Accounts, Annual Governance Statement and Narrative Report, hereby referred to as the Statement of Accounts, for the statutory requirement of publishing the unaudited Statement of Accounts signed by Chief Finance Officers by 31st May and the signed audited Statement of Accounts by 31st July.
2. **Recommendations**
	1. The report is for noting.
3. **Executive Summary**
	1. The unaudited 2018/19 Statement of Accounts are planned to be presented to the Performance and Resource Board on 23rd May and published on the PFCC and Essex Police websites on 28th May.
	2. The main external audit inspection will be in June / July. The date for the inspection is still to be confirmed by Grant Thornton.
	3. The final Statement of Accounts are due to be presented to the Joint Audit Committee on 26th July and published on the websites on 29th July.
4. **Introduction/Background**
	1. The Accounts and Audit Regulations 2015 came into force on 1st April 2015, replacing the Accounts and Audit Regulations 2011. The main change is a one month reduction in the publication of the unaudited Statement of Accounts signed by the two Chief Financial Officers by 31st May and a two month reduction in the publication of the audited Statement of Accounts by 31st July.
	2. Last year, 2017/18, was the first statutory year for the earlier closure and the 2017/18 Statement of Accounts were published within deadlines.
	3. For 2018/19 we are planning for the unaudited Statement of Accounts to be signed by the two Chief Financial Officers by 24th May and the audited Statement of Accounts to be signed on 26th July.
	4. Last year external audit requested we produced an early version of the Statement of Accounts as at end of December 2017 (month 9), this was known as a ‘Soft Close’. As this provided a good foundation to meet the 31st May deadline, we have chosen to produce a Soft Close version of the Statement of Accounts based on December 2018 (month 9) information.
	5. The new external auditors, Grant Thornton (previously Ernst Young (EY)) will review the Soft Close accounts and inspect transactional activity up to month 9. They will be onsite for two weeks from 25th February which will enable a shorter inspection to be carried out for the main inspection in June and July. The date for the main on-site inspection in the summer is still be confirmed by Grant Thornton.
	6. The main activity between Soft Close and the unaudited Statement of Accounts will relate to year end accruals, technical accounting transactions for capital, pension, council tax debtors & outstanding holiday leave. Most of this activity relates to information from external organisations and we liaise with the organisations to ensure we receive the information is a timely manner.
	7. For 2018/19 we have moved the property valuations from 31st March to 31st December to help with the earlier closure and these transactions will be included in the Soft Close Statement of Accounts. This will reduce the technical capital activity for the unaudited Statement of Accounts.
	8. This year, we are not producing the performance information for the Narrative report for the Soft Close version as the majority has to be re-written for the unaudited version and Grant Thornton will not be reviewing the performance information during the Soft Close audit inspection. We will be working with Strategic Change department and the OPFCC during March and April for the information to be included in the unaudited version.
	9. The timetable of the key dates for the Soft Close and main Statement of Accounts is shown at **Appendix A**. It is planned for the Corporate Finance department to move from Great Dunmow to the Police Headquarters in Chelmsford. Once the moving date is confirmed, the impact on the closure timetable will be reviewed.
	10. There are no major presentational changes to the Statement of Accounts for 2018/19 and the major technical accounting changes relate to financial instruments i.e. loans and receivables carried in the Balance Sheet and income contracts. We are reviewing the impact of these on the Statement of Accounts and will be discussing the outcomes with Grant Thornton during their inspection in February.
5. **Current Work and Performance**
	1. The Soft Close timetable and draft Main Closure timetable are shown at Appendix A.
6. **Implications (Issues)**
	1. If statutory deadlines for publishing the Statement of Accounts are not met this will lead to reputational damage and may impact on future contracts with suppliers.
7. **Links to Police and Crime Plan Priorities**
	1. The Statement of Accounts are statutory publications based on the Chartered Institute of Public Finance and Accountancy (CIPFA) Codes of Practice. Within the Statement of Accounts is the Narrative Report which will contain details of the Police and Crime Plan and performance information during 2018/19.
8. **Demand**
	1. N/A.
9. **Risks/Mitigation**
	1. N/A.
10. **Equality and/or Human Rights Implications**

N/A

1. **Health and Safety Implications**

N/A

1. **Consultation/Engagement**
	1. N/A
2. **Actions for Improvement**

N/A.

1. **Future Work/Development and Expected Outcome**
	1. The draft Narrative report will be circulated by 30th April and the draft unaudited Statement of Accounts are due to be presented to the Performance & Resources meeting on 23rd May. They will then be signed by the Acting Treasurer and Chief Finance Officer of the Chief Constable and published on the PFCC and Essex Police websites on 28th May.

* 1. The unaudited Statement of Accounts will be presented at the Joint Audit Committee on 21st June.
	2. The final Statement of Accounts are due to be presented to the Joint Audit Committee on 26th July and signed by the Chief Constable, PFCC and the two Chief Finance Officer’s. After the Statement of Accounts are signed, the external audit opinion is issued and the audited Statement of Accounts are published on the external websites.
	3. The closure presentation at the Joint Audit Committee on 26th July will include the Statement of Accounts, the external auditors Audit Results Report and the Letter of Representation’s (one each from the PFCC and Chief Constable).
1. **Decisions Required by the Police, Fire and Crime Commissioner**
	1. The report is for noting.

**APPENDIX A**

