JOINT INDEPENDENT AUDIT COMMITTEE
29 NOVEMBER 2013

SUBJECT	**FINANCIAL STATEMENTS 2013/14 – DISCLOSURES AND TIMETABLE**
REPORT BY	**Julie Flint, Chief Finance Officer**
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SUMMARY AND PURPOSE OF REPORT To provide the Committee with an indication of preparations for the Financial Statements 2013/14, including disclosure considerations and the planned timetable.	
RECOMMENDATION	***That the Committee notes the report.***

A. SUPPORTING INFORMATION

1. INTRODUCTION

1.1 The Finance Team met with KPMG on 4th November to discuss matters arising from the 2012/13 accounts closedown, and potential issues for the 2013/14 accounts.

1.2 In terms of 2013/14, both the timetable and the opportunity to review disclosures well in advance of the year-end were discussed. This report provides further background on these points and signals a further discussion at the next JIAC in March 2014.

2. DISCLOSURE ISSUES FOR THE 2013/14 ACCOUNTS

2.1 KPMG suggested that the PCC and the Chief Constable may wish to consider each of the disclosures included within the 2012/13 statements in order to assess their contribution to the transparency of the statements. There may be an opportunity to reduce the number of disclosures with the aim of improving the readability of the accounts and reducing the effort in compilation and the associated audit.

2.2 In practice, the scope to do this may be limited. Many of the notes are required either by statute, best practice or the CIPFA disclosure checklist. Where there is discretion then materiality would be a factor, both in the current year and the prior year comparator.

2.3 Nevertheless, an exercise will be undertaken in advance of the next JIAC to inform a discussion at that meeting.

2.4 In recognition of the complexity of the statutory accounts, the PCC and Chief Constable have previously produced Summary and Compact Accounts in an attempt to improve engagement with the lay reader – see attached for information. The Summary and Compact Accounts exclude the complexities of IFRS entries for pensions, jointly controlled assets and employee benefits. At this stage, the Committee may wish to provide feedback on the content and presentation of the Summary and Compact Accounts.

3. DRAFT TIMETABLE FOR THE STATEMENT OF ACCOUNTS

3.1 The Finance Team has been working towards faster completion of the financial statements each year. Prompt completion and audit of the prior year statements will allow greater focus on the management of current expenditure and delivery of the medium term financial plan.

3.2 The ultimate aim is to secure the completion of the accounts process by the end of July each year, 2 months in advance of the statutory deadline of 30 September.

3.3 This timescale is considered risky for 2013/14 given the transition, in January 2014, to the new financial management information system, t-Police. As a result, for the 2013/14 accounts it is proposed that the JIAC will meet in mid June to consider the draft financial statements prior to the audit during late June/early July. The report to those charged with governance (including the audited accounts) would be considered by the JIAC in early September rather than late September as in previous years.

B. FINANCIAL CONSIDERATIONS

There are no cost implications. The accounting considerations are included in the report.

C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS

None specific

D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES

(including any impact or issues relating to Children and Young People.)

None specific

E. REVIEW ARRANGEMENTS

To be reviewed at the next meeting of the Committee.

F. RISK MANAGEMENT

The risk of non-compliance with accounting regulations leading to potential qualification of the accounts is an on-going issue for management each year.

G. PUBLIC ACCESS TO INFORMATION

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.