

Final Accounts Process

The final accounts for previous years can be accessed on the Council's website at <http://www.reading.gov.uk/council/performance-and-spending/CouncilFinances/StatementofAccounts/>

A cursory glance at these documents will show that the presentation therein is somewhat different to that used for the Council's budget, and indeed in the above explanation of year end variances. This is because the accounts must be prepared in accordance with the Code of Practice for Local Authority Accounting (the "Accounts Code").

In 2011/12 the code required the Council to implement fully International Financial Reporting Standards (IFRS), in line with a commitment made in the national budget a few years ago.

However, the Accounts Code requires many adjustments to the day to day accounts by which the Council manages its budget including capital charges for all services, the apportionment of much of the Resources Directorate across services (so the cost of services are shown including their managerial, corporate and administrative on-costs), and technical adjustments to reflect the long term cost of LA pensions, the cost of untaken leave at the year end.

In principle, by requiring all local authorities to prepare accounts in line with the same accounting guidance comparative information drawn from those accounts between authorities ought to be more accurate, and more fairly represent the relative total cost of services. In addition the Account Code requires the council to produce group accounts that include the activities of companies we own; principally Reading Transport.

The Accounts Code is published by CIPFA and each year they consult about amendments to the Code to keep local authority accounting practice up to date. CIPFA's Local Authority Accounting Panel (which the Head of Finance attends) produces guidance notes to explain how to prepare most aspects of the accounts.

The Accounts & Audit Regulations 2011 changed the approval process for the accounts. The requirement is that the Head of Finance signs the accounts off by the end of June. They are then audited and must be approved by Councillors (hopefully with their audit opinion) by the end of September. Audit & Governance Committee formally do this approval on behalf of the Council.

As in previous years the accounts both pre audit, after the end of June, and following audit at the end of September will be published on the website, with a small number of printed copies being available to Councillors.

Appendix D

General Debtor Arrears (accounts over 60 days old)

The table sets out the arrears by service @ 31 March 2014

By Age of debt (days)

	TOTAL	61-90	91-120	120+
Community Care	1,669	87	82	1,500
DEACS	118	5	1	112
DENS	364	22	10	332
Housing	537	204	3	330
Benefits	3,654	124	51	3,479
CSS	305	4	21	280
CSS (other)	12	0	0	12
Total	6,659	446	168	6,045