

FINANCE & OFFICE SERVICES REPORT FOR FINANCE AND RESOURCES COMMITTEE 24TH JUNE 2004

Routine Matters

Since the last Committee Meeting, the Finance Department has continued the routine work of cash management, income and expenditure accounting, payment of suppliers and partners (purchase ledger) and the production of the April and May Management Accounts.

May Purchase Ledger was closed on Tuesday 22nd June, thus enabling all invoices dated May to be paid within 30 days. Tight cash management has enabled £1,000,000 to be placed on the money market at rates of up to 4.05%. Around £750,000 is also held on Business Reserve Account.

Year End Accounts

The draft statutory accounts were prepared in accordance with the timetable and the detailed audit visit from BDO Stoy Hayward (BDO) duly commenced on 4th June. No particular problems were encountered following their initial visit. Their computer audit department, however, found some difficulty in auditing the statistics from the LISA system. Being a real-time system, it is particularly difficult to elicit data retrospectively. Additional weekend work has therefore been necessary by the Management Accountant to help prove the deferred income shown in the accounts.

The National Audit Office (NAO) has reviewed the files of BDO and brought out further points for disclosure in the accounts, especially with regard to the Foreword to the Accounts, the Statement of Internal Control and the FRS13 disclosure.

At the time of writing this report, it is still anticipated that the accounts can be signed off by all parties on 24th June.

Meetings , Training and Other Matters

A number of meetings have been held with both sets of auditors during the period, including three visits to BDO's offices in Epsom. All departmental staff have undertaken further Customer Service training and introductory

training for the Lotus Notes system. Advanced Powerpoint training enabled the Finance Director to make a meaningful presentation covering the results for the last two financial years and the budget for 2004/5 at a All Staff Meeting. A tax presentation was made by BDO to some Council Members: this will result in further discussions particularly in the area of VAT on attendance allowances. Additional work has been undertaken in advance of ISO accreditation.

Work has commenced in finding hotel chains willing to offer corporate rates for staff, Council members and partners needing overnight accomodation. A planning meeting has taken place with Communications concerning the Partners' Conference scheduled for September. The Finance Director has also attended a Listening Event in Bournemouth and Corporate Governance training in London and provided Council Induction training for two Council members.

Office Services

In respect of the ongoing negotiations concerning business rates, the Valuation Officer has had the premises measured. Our advisor, Robert Murdoch of Drivers Jonas, ageed the measurements.

Our surveyors sought tenders for this year's building works. Parkeray have commenced work which will involve outside painting, digging out the front aspect of the building and the instalation of railings, air conditioning improvements in Park House and painting of some meeting rooms and corridors. In order to endeavour to keep costs within budget Parkeray have put much of the sub-contractors' work out to tender.

PAUL BAKER
Finance Director