

**Appendix 1 – Action Plan from Annual Governance Report 2006-07**

Recommendation	Priority 1=low, 2=medium, 3=high	Responsibility	Agreed	Progress to date and next steps	Anticipated Implementation Date
1. The cash flow statement be prepared on a cash basis.	1	Head of Finance & Resources	Yes	Changes to be built into final accounts for 2007/08.	April 2008
2. Review the PFI equalisation fund.	3	Head of Finance & Resources	Yes	Verbal update to be provided to Final Accounts & Audit Committee on 19/11/07.  Changes to be built into final accounts for 2007/08.	April 2008
3. Reconciliation of the bank accounts and feeder systems should be done during the year.	3	Head of Finance & Resources	Yes	The core fiscal reconciliations are being conducted on a daily basis.  An interim Financial Accountant has been employed (pending appointment of a Chief Financial Accountant) to implement a robust and maintainable process for regular reconciliations.  A hierarchy of reconciliations has been produced (see below).	Ongoing

**Hierarchy of Reconciliations:**

Cash & Bank - daily reconciliation

Fiscal (daily cash allocations to control/personal accounts)

Payroll

Payables (includes Housing Benefits, Personal Account Refunds & Sundry Creditors)

Control Accounts - monthly reconciliation

Miscellaneous cash (re-allocation from cash control to nominal accounts)

Car Parks (re-allocation from cash control to nominal accounts)

Debtors (Sundry Accounts Receivable)

SX3 (Revenues Management System for Council Tax, NNDR and benefits)

Journal Transfer - input verification

Stores (internal costing allocation of issues from depot store)

Traffic (internal recharge for use of mechanics workshop)

Accountancy Journals