

Appendix A

IFRS Project Plan

	Step	Dependency	Dates	Progress to date	Areas for Discussion with External Audit
1	Carry out high level impact assessment using information on CIPFA website (and other resources where available) PFI Leases Tangible Assets Employee Benefits (e.g. Holiday Pay) Presentation		March 2009	Impact assessment was carried out with Hereford and Worcester Financial Managers Group on 6 th March. Sub groups were set up to review key changes.	Ongoing – discussions between authority and auditors to inform auditors over project plan, approaches being taken, raise any issues/difficulties etc.
2	Identify changes to accounting policies	In parallel with step 1	March 2009	Key Changes identified at meeting on 6 th March.	
3	Identify key staff (finance, legal, property, HR, other) Assess whether resources adequate Allocate responsibilities Develop detailed project plan	Based on impact analysis in step 1	June 2009	<ul style="list-style-type: none"> • Key staff have been identified and responsibilities allocated • Internal accountancy staff to implement – impact on training courses spend 	
4	Key staff trained on IFRS transition		Ongoing from September 2008	<ul style="list-style-type: none"> • Key finance staff attended CIPFA/PWC training. • Further CIPFA training booked for November and December. 	
5	Identify systems and procedural changes (including Chart of Accounts changes) required		July 2009	Little impact identified for the financial system. However procedural changes required for asset accounting, leases and employee benefits.	
6	Identify information (e.g. leases and holiday pay) required to restate 1 April 2009 balance sheet and 2009/10 accounts		March – September 2009	Changes identified; <ul style="list-style-type: none"> • Leases • Classification of assets • Holiday pay. • PFI changes (from 2009/10) 	
7	Develop skeleton Statement of Accounts under IFRS (including Notes and Policies)	Accounting policies in step 2	June 2009 – November 2009	Using draft IFRS Code to determine required format.	

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8	Obtain information required to restate 1 April 2009 balance sheet	Identified during step 6	March- November 2009	<ul style="list-style-type: none"> • Equipment leases have been reviewed. • Land leases are being reviewed • PFI calculation with external audit for review. • Contracts being reviewed to identify embedded leases. • Holiday and flexi details being collected • Initial meeting held with external audit to discuss approach 	
9	Identify likely impact on budgets (if any)		March – November 2009	Impact arising from holiday pay calculated and included in budget plan.	
10	Implement systems and procedural changes	Identified in step 5	July 2009- Feb 2010	Template developed for collecting employee leave and flexi time.	
11	Training for all relevant staff and members		Ongoing from December 2008.	CIPFA in house training for finance and property held in December. Members seminar held on 3 rd July 2009. Staff booked on future courses.	
12	Restate 1 April 2009 balance sheet (including reconciliations between UK GAAP and IFRS).	Obtained in steps 7 & 8	November – December 2009		Auditors will wish to consider the implications for reviewing balance sheet and/or processes and arrangements
13	Compile 2010/11 and later budgets on IFRS basis, building on restatement of balance sheet, taking into account changes to the final version of the Code and any regulations proposed by government to mitigate the impact on General Fund	Impact from step 9	November 2009 – January 2010	Employee benefits included in the finance resource model for 2010/11.	No direct input, but previous discussions and results of any audit work in step 12 may inform budget decisions where auditors involved at early date
14	Testing of systems and procedural changes	Follows on from step 10	July 2009 – March 2010	Testing of employee template is in progress.	Auditors will wish to consider the implications for relevant work on systems
15	Restate 2009/10 accounts in parallel with main 2009/10 accounts process (including reconciliations between UK GAAP and IFRS)	See steps 6,7,8, 12	April 2010 – December 2010		Auditors will wish to consider the implications for their work
16	Produce 2010/11 accounts on IFRS basis		April 2011 – June 2011		Normal audit procedures – accounts signed by 30 September 2011

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