

GRANT THORNTON AUDIT FINDINGS REPORT 2014/15

Relevant Portfolio Holder	Councillor Geoff Denaro
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non–Key Decision

1. SUMMARY OF PROPOSALS

- 1.1 To present Members with the Grant Thornton Audit Findings Report in relation to the final accounts 2015/16.

2. RECOMMENDATIONS

- 2.1 **That the Committee considers and notes the Audit Findings Report 2015/16 as attached at Appendix 1.**
- 2.2 **That the Committee recommend to Council the approval of the draft letter of representation as included at Appendix 2.**

3. KEY ISSUES

Financial Implications

- 3.1 The cost associated with the External Audit is funded from approved budgets. There are no additional charges for the 2015/16 Audit work.

Legal Implications

- 3.2 The Council has a statutory responsibility to comply with financial regulations. Included within the report is a recommendation to the Council under section 11(3) of the Audit Commission Act 1998. As can be seen within the Appendix, the recommendations relating to the final accounts have all been delivered to the satisfaction of Grant Thornton. There are two further recommendations that relate to the ongoing monitoring arrangements and these are being addressed by officers.

Service / Operational Implications

- 3.3 The report attached at Appendix 1 presents the Audit Findings Report in relation to the audit of the 2015/16 Statement of Accounts. Members are aware that there were a number of issues relating to completion and quality of the previous year accounts and a number of actions were put in place to ensure that deadlines were met and significant improvements were made to the working papers and reconciliations.

- 3.4 The accounts were submitted to the Auditors by the deadline of 30th June. As included in the Appendix there have been improvements to the working papers and the information and responses to the Auditors have been timely and clear. There are no material issues or misstatements that have been identified by the Auditors. There are a number of recommendations including tracking of journal transfers and improvements to the process of invoicing and recharging of shared service costs. The recognition of the improvements made during 2015/16 demonstrate the work that the finance team have undertaken to ensure that the issues raised last year were addressed.
- 3.5 Whilst minor areas of work are continuing it is anticipated that an unqualified opinion will be given on the accounts.
- 3.6 In relation to the Value for Money judgement, having taken into account the financial pressures facing the Council over the next 4 years, a qualified opinion has been given. Officers will work with the Auditors to assess the Efficiency Plan and the ongoing delivery of savings and budget projections to support the recommendations in relation to Value for Money.

Customer / Equalities and Diversity Implications

- 3.7 There are no implications arising out of this report.

4. RISK MANAGEMENT

- 4.1 The recommendations from the External Auditors will be picked up within the financial services risk arrangements

5. APPENDICES

Appendix 1 – Grant Thornton Audit Findings Letter 2015/16

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