

**STRATEGY AND RESOURCES COMMITTEE
29 SEPTEMBER 2015**

2014/15 ACCOUNTS – AUDIT FINDINGS

<u>Report of the:</u>	Director of Finance and Resources
<u>Contact:</u>	Kathryn Beldon/Lee Duffy
<u>Urgent Decision?(yes/no)</u>	Yes
<u>If yes, reason urgent decision required:</u>	Requirement to certify accounts by 30 September 2015
<u>Annexes/Appendices (attached):</u>	Annexe 1: Audit Findings Annexe 2: Financial Statements 2014/15 Annexe 3: Letter of Representation
<u>Other available papers (not attached):</u>	Draft Financial Outturn reported to Strategy and Resources Committee 24 June 2015

REPORT SUMMARY

This report covers Grant Thornton’s audit findings and presents the Financial Statements for 2014/15 following the external audit of the accounts.

<u>RECOMMENDATION (S)</u>	<i>Notes</i>
(1) That the Committee:-	
(2) Receives the Audit Findings for 2014/15;	
(3) Receives the Financial Statements for the year ended 31 March 2015;	
(4) Agrees the management action in response to audit recommendations	
(5) Agrees that the Chairman of Resources and Strategy Committee and the Director of Finance and Resources sign the Letter of Representation on behalf of the Council.	
(6) Delegates any further amendments to the Financial Statement for the year ended 31 March 2015 to the Director of Finance and Resources in consultation with the Chairman of Strategy and Resources Committee.	

STRATEGY AND RESOURCES COMMITTEE
29 SEPTEMBER 2015

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 There is no specific key priority covering the Financial Statements or the annual audit.

2 Background

2.1 The Council's financial performance for 2014/15 was reported to this committee on 24 June 2015. A copy of the draft unaudited Financial Statements was made available to Members and was placed on the Council's web site.

2.2 Grant Thornton, the Council's external auditor, has now issued their Audit Findings following the completion of the audit of the Financial Statements. The report is attached at Annexe 1.

2.3 The audit findings will be presented to the Committee by Christian Heeger, Director, Grant Thornton, who will also answer any questions members may have on the audit.

2.4 The audited Financial Statements are included in Annex 2 to this report. Members are invited to raise any detailed queries with the Director of Finance and Resources prior to the meeting.

3 Outcome of Audit

3.1 The following specific points are made in the report:-

3.1.1 The Auditors anticipate an unqualified opinion on the Council's Financial Statements.

3.1.2 Any adjustments required have been agreed and implemented and they did not affect the Council's reported outturn position or cash reserves.

3.1.3 The auditor plans to issue an unqualified conclusion on Value for Money

4 Action Plan

4.1 Appendix A of the Audit Findings report includes recommendations where management action has been agreed with the auditors

5 Proposals

5.1 The Committee is asked to:-

- Receive the Audit Findings for 2014/15;
- Receive the Financial Statements for the year ended 31 March 2015;
- Agree the management action in response to audit recommendations

STRATEGY AND RESOURCES COMMITTEE

29 SEPTEMBER 2015

- Agree that the Chairman of Resources and Strategy Committee and the Director of Finance and Resources sign the Letter of Representation on behalf of the Council
- Delegate any further amendments to the Financial Statements for the year ended 31 March 2015 to the Director of Finance and Resources in consultation with the Chairman of Strategy and Resources Committee.

6 Financial and Manpower Implications

- 6.1 On 24 June 2015, the Committee received a summary of the General Fund position for 2014/15 and the financial reserves as 31 March 2015. The Committee also received details of expenditure on the capital programme. There have been no changes made to the reported financial position.
- 6.2 An update on the Council's financial standing is contained in the Budget Targets report on this agenda. The Financial Policy Panel also received more analysis of the Value Form Money profiles earlier this month in a report covering a Review of Reserves.
- 6.3 The audit has been completed within the budget previously reported.
- 6.4 **Chief Finance Officer's comments:** The audit fee of £72,640 is within budget.

7 Legal Implications (including implications for matters relating to equality)

- 7.1 The requirements for external audit are set out in the executive summary of the Audit Findings report.
- 7.2 **Monitoring Officer's comments:** No comments for the purposes of this report.

8 Risk Assessment

- 8.1 The external audit contributes towards effective corporate governance of the Council.

9 Conclusion and Recommendations

- 9.1 The external auditors propose an unqualified opinion on the Council's Financial Statements.
- 9.2 The Financial Statements will be published following signature and certification.

WARD(S) AFFECTED: N/A