
Report to : Council

Date of Meeting: 11 October 2012

Subject: External Audit Final report to Members on the 2012 Audit

Report by: Director of Finance & Corporate Services

1.0 Purpose

- 1.1. This report presents to Council the report by our new external auditors, Deloitte, on the Council's 2012 audit. This report represents the completion of the first year of Deloitte's audit appointment. The report is included as Appendix 1, titled 'Our Final Report to Members on the 2012 Audit'. This report includes the audit opinion on the 2011/12 Financial Statements.
- 1.2. Following the conclusion of the audit, the Financial Statements for the year ended 31st March 2012 are included for approval as Appendix 2.

2.0 Recommendations

- 2.1. That the Council notes the content of the external audit report.
- 2.2. That the Council approves the audited Accounts for 2011/12.

3.0 Considerations

- 3.1. A draft set of unaudited accounts was presented to Council at its meeting on 28th June 2012.
- 3.2. Our new external auditors, Deloitte, have now completed the audit of these draft statements, and their report on the accounts is included within their Final report to Members at Appendix 1.
- 3.3. The report also covers the wider Code of Audit Practice areas reviewed by our External Auditors. These include corporate governance, best value, use of resources and performance.
- 3.4. Members will note that the Executive Summary indicates an unmodified or 'clean' audit opinion on the truth and fairness of the financial statements. There is also a schedule of audit adjustments and summary of the external Auditor's key risk and control evaluation observations.

- 3.5. Following the completion of the audit, the Financial Statements have been revised to include the adjustments referred to within the auditors report. These finalised statements are included at Appendix 2 for Council approval.
- 3.6. Plans have also been put in place to strengthen the control environment where weaknesses have been highlighted.
- 3.7. Deloitte provided a briefing for all elected members on their report on the 25th September 2012.
- 3.8. It is the intention of Deloitte to attend this Council meeting to present their Final Report and provide a further opportunity for elected members to ask questions.

4.0 Sustainability Implications

4.1. N/A

5.0 Resource Implications

5.1. *Financial Details*

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. *Staffing - none*

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing

- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) Council Policies (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1: Deloitte Final report to Members 2012

Appendix 2: Audited Financial Statements 2011/12

11.0 Background Papers


11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Nikki Bridle	Director of Finance and Corporate Services	2030

Approved by

NAME	DESIGNATION	SIGNATURE
Nikki Bridle	Director Finance & Corporate Services	
Elaine McPherson	Chief Executive	

