
Report to : Resources and Audit Committee

Date of Meeting: 26 September 2013

Subject: External Audit Final report to Members on the 2012/13 Audit

Report by: Director of Finance & Corporate Services

1.0 Purpose

- 1.1. This report presents to Committee the report by our external auditors, Deloitte, on the Council's 2012/13 audit. This report represents the completion of the second year of Deloitte's audit appointment. The report is included as Appendix A, titled '*Final Report to the Resources and Audit Committee and the Controller of audit on the 2012/13 Audit*'. This report includes the audit opinion on the 2012/13 Financial Statements.
- 1.2. Following the conclusion of the audit, the final amended Financial Statements for the year ended 31st March 2013 are included for approval as Appendix B.

2.0 Recommendations

It is recommended that the Committee:

- 2.1. Notes the content of the External Audit report.
- 2.2. Commends the final amended Accounts for 2012/13 to Council for approval.

3.0 Considerations

- 3.1. A draft set of unaudited accounts was presented to Council at its meeting on 28th June 2013.
- 3.2. Our 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 A.
- 3.3. The report also covers the wider Code of Audit Practice areas reviewed by our External Auditors. These include best value, use of resources and performance and also risk management and internal control.
- 3.4. Members will note that the introductory 'Big Picture' indicates an unmodified or 'clean' audit opinion on the financial statements. It will also be noted that the audit did not identify any material or uncorrected misstatements.

- 3.5. Appendix 1 to the auditors report highlights adjustments that have been made to the accounts in respect of matters identified by the Accountancy Team subsequent to the submission of the draft statements. The impact on the accounts is a reduction in the surplus achieved in the year of £175,000 as a result of the increase in the provision for equal pay. This reduces the Council reserves from £14.179m to £14.004m. All the other adjustment are contained are changes within Balance Sheet.
- 3.6. The audit report also highlights the significant improvement from last year on risk management and internal controls.
- 3.7. 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 B for Committee approval.
- 3.8. It is the intention of Deloitte to attend this Committee 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 A: Deloitte Final report to Members 2012/13

Appendix B: final draft Financial Statements 2012/13

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

Draft Financial Statements 2012/13 presented to Council 28th June 2013

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
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