

Audit and Standards Committee – 20th September 2012

Report of the Treasurer

Auditor's Annual Governance Report 2011/12

Purpose of Report

1. To present the auditor's Annual Governance Report to the Audit and Standards Committee for consideration and approval, and to invite the Audit and Standards Committee to approve the formal Management Representation Letter to the Auditor.

Background

2. The Audit Commission's Code of Audit Practice 2005 requires external auditors to report to those charged with governance on the results of their work. The Council has delegated the responsibility for the approval of the Statement of Accounts, and all audit matters, to the Audit and Standards Committee.
3. The Accounts and Audit Regulations 2011 set out the responsibility of members of local authorities for the adequacy of financial management.
4. Towards the end of each audit of the annual accounts, the Treasurer provides a management representation letter (sometimes known as a letter of comfort), confirming the completeness and reliability of the information and records supplied to the auditors. The Audit Commission request that this letter should also be signed by the Chairman of this meeting, to evidence members' acknowledgment of responsibility for financial management. A copy of this letter is attached to the Annual Governance Report.
5. We have now been formally notified of the appointment of Grant Thornton UK LLP as the Council's external auditor from 1 September 2012. The firm is appointed for five years from 2012/13 and will also complete any outstanding works from prior financial years that remains outstanding at 31 October 2012.

Annual Governance Report 2012

5. The Report is attached, and will be presented by the District Auditor, Mr. Tony Corcoran. It includes findings from the audit of the 2011/12 accounts, and opinions on the Council's arrangements for securing value for money.

Finance

6. This report refers to various aspects of financial management, but does not give rise to any direct costs.

Law

7. Legislation appertaining to Local Authority Audit and Accounts is contained in the Local Government Act 1972, part 2 of the Audit Commission Act, 1998, and regulations made thereunder.

Equality Impact

8. The proposals take into account the Council's Policy on Equality and Diversity..

Recommendation

9. It is recommended that the:-
- Committee considers the Annual Governance Report, and the auditor's comments.
 - Committee approves the Letter of Representation.
 - Chairman of the Committee signs and dates the Letter of Representation to give evidence of the approval above.



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Iain Newman

Treasurer

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List of Background Papers

Annual Governance Report 2011/12