



AGENDA ITEM: 6

**AUDIT AND GOVERNANCE COMMITTEE:
24 September 2013**

Report of: Borough Treasurer

Relevant Managing Director: Managing Director (People and Places)

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SUBJECT: APPROVAL OF STATEMENT OF ACCOUNTS

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To approve a number of representations and the Council's annual Statement of Accounts.

2.0 RECOMMENDATIONS

- 2.1 That the Letter of Representation set out in Appendix 1 be endorsed.
- 2.2 That the response on fraud, laws and regulations, and going concern issues set out in Appendix 2 be approved.
- 2.3 That the Statement of Accounts set out in Appendix 3 be approved.

3.0 BACKGROUND

- 3.1 A report on the Statement of Accounts for 2012-13 was considered by this Committee at its meeting in June, and subsequently a link to this statement was sent to all Members by e-mail.
- 3.2 The external auditors have now largely completed their audit on these accounts, and details of their findings are contained in a separate report elsewhere on this agenda.
- 3.3 It is part of the terms of reference of this Committee that it will approve the Council's Statement of Accounts each year. The Accounts and Audit Regulations require that this approval has to take place by 30th September.

4.0 LETTER OF REPRESENTATION

- 4.1 It is standard practice that the Council should provide its External Auditors with a Letter of Representation to confirm a range of issues in relation to the accounts, including the fact that the accounts have been properly prepared and that all relevant information has been provided.
- 4.2 A copy of this letter is contained in Appendix 1 and Members are asked to consider and endorse this document for signature by the Borough Treasurer.

5.0 RESPONSE ON FRAUD, LAWS AND REGULATIONS, AND GOING CONCERN ISSUES

- 5.1 As part of the external auditors' risk assessment procedures, they are required to obtain an understanding of management processes and this Committee's oversight of a number of areas covering fraud, laws and regulations, and going concern issues.
- 5.2 Appendix 2 contains a proposed response to the questions that have been raised by the external auditors. These questions are mainly addressed to management but also include a number of questions specifically addressed to this Committee, where I have included a proposed response. Members are now asked to consider and approve this document.

6.0 APPROVAL OF STATEMENT OF ACCOUNTS

- 6.1 A copy of the annual accounts was sent to all Members after the last meeting of this Committee in June. The external auditors have presented their findings from their audit of these accounts in a separate report elsewhere on the agenda. Their report identifies a small number of changes to the accounts and that it is expected that an unqualified opinion will be provided on them. A full copy of the statement incorporating these amendments is contained in Appendix 3. Members are now asked to approve the Statement in accordance with the Accounts and Audit Regulations.

7.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 7.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder. The report has no significant links with the Sustainable Community Strategy.

8.0 RISK ASSESSMENT

- 8.1 The audit of the Statement is part of the overall control framework that is designed to ensure that the Council properly accounts for the use of its assets and resources.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

Appendices

Appendix 1 – Letter of Representation

Appendix 2 – Response on Fraud, Laws and Regulations, and Going Concern Issues

Appendix 3 – Statement of Accounts