

## EXTERNAL AUDIT – AUDIT FINDINGS REPORT

25 July 2018	<b>Governance and Audit Committee</b>
Report Author	<b>Tim Willis, Deputy Chief Executive and s151 Officer</b>
Portfolio Holder	<b>Cllr Jason Savage, Cabinet Member Corporate Governance and Coastal Development</b>
Status	<b>For Decision</b>
Classification:	<b>Unrestricted</b>
Key Decision	<b>No</b>
Reasons for Key	<b>N/A</b>
Ward:	<b>All Wards</b>

### **Executive Summary:**

The council's external auditor Grant Thornton is required to report its audit findings from its audit of the accounts to this Committee.

### **Recommendations:**

1. That the Committee notes the contents of the Audit Findings Report as set out in Annex 1.

### **CORPORATE IMPLICATIONS**

<b>Financial and Value for Money</b>	There are no direct financial implications arising from this report.
<b>Legal</b>	This is a statutory requirement.
<b>Corporate</b>	This is part of the external audit process.
<b>Equalities Act 2010 &amp; Public Sector Equality Duty</b>	<p>Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.</p> <p>Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy &amp; maternity. Only aim (i) of the Duty applies to Marriage &amp; civil partnership.</p>

	Please indicate which aim is relevant to the report.	
	Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act,	
	Advance equality of opportunity between people who share a protected characteristic and people who do not share it	
	Foster good relations between people who share a protected characteristic and people who do not share it.	

<b>CORPORATE PRIORITIES (tick those relevant)✓</b>	
A clean and welcoming Environment	
Promoting inward investment and job creation	
Supporting neighbourhoods	

<b>CORPORATE VALUES (tick those relevant)✓</b>	
Delivering value for money	
Supporting the Workforce	
Promoting open communications	

## 1. Introduction and Background

- 1.1 The Accounts and Audit (England) Regulations 2015, requires this Committee to approve the council's accounts by 31 July.
- 1.2 The draft Statement of Accounts for 2017-18 has now been audited and the audit findings are set out in detail in Grant Thornton's report, shown in Annex 1.
- 1.3 The Committee is asked to consider the audit findings and to note the report.

## 2. Key Points

- 2.1 Subject to outstanding items being resolved, Grant Thornton intends to issue an unqualified audit opinion following the Committee meeting.
- 2.2 A number of audit adjustments have been identified and are detailed in Appendix C to the Audit Findings Report. All proposed adjustments identified during the audit have been agreed by the council. As with the 2016-17 financial statements there is one accounting treatment concerning conversion to council dwellings where the council's stance differs to the auditor's – however, the value under question is not material enough to impact on the audit opinion.
- 2.3 Grant Thornton has concluded that the council has proper arrangements to secure economy, efficiency and effectiveness in its use of resources and therefore anticipates issuing an unqualified value for money conclusion.
- 2.4 Grant Thornton expects to be able to certify the completion of the audit when the audit opinion is given.

## 3. Conclusion

- 3.1 The result of Grant Thornton's audit of the accounts is that the council is likely to receive an unqualified opinion on the financial statements and an unqualified value for money conclusion for 2017-18.

Contact Officer:	Ramesh Prashar – Head of Financial Services Gary Whittaker – Interim Finance Manager
Reporting to:	Tim Willis – Deputy Chief Executive and s151 Officer

### **Annex List**

Annex 1	Grant Thornton Audit Findings Report 2017-18
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### **Corporate Consultation**

<b>Finance</b>	Ramesh Prashar – Head of Financial Services
<b>Legal</b>	Tim Howes, Director of Corporate Governance