
REPORT TO:	AUDIT SUB COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	26th SEPTEMBER 2012	CATEGORY: RECOMMENDED
REPORT FROM:	CHIEF EXECUTIVE OFFICER	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) CHIEF FINANCE OFFICER Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/final accounts 1112/statement/final/isa 260 covering report Sept 12
SUBJECT:	ANNUAL REPORT TO THOSE CHARGED WITH GOVERNANCE	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: AS 05

1.0 Recommendations

1.1 That the report is considered and approved and any issues arising are referred to the Finance and Management Committee where appropriate.

2.0 Purpose of Report

2.1 For Grant Thornton as the Council's appointed auditors, to present their statutory annual report on the Council's accounts and financial statements for 2011/12.

2.2 Under its terms of reference, the Committee is requested to consider the report and its recommendations, together with the proposed management responses to those recommendations.

3.0 Detail

3.1 Grant Thornton's Report has been circulated under separate cover. Audit Managers of Grant Thornton will attend the meeting and present the report to the Committee.

3.2 In summary, the report provides details on, together with any issues arising from, the Audit of the Council's annual accounts, financial statements and financial systems for 2011/12.

3.3 Consequently, the report provides and opinion on those accounts. Following consideration at this Committee, the accounts and financial statements themselves will be presented to the Finance and Management Committee on 27th September 2012 for formal adoption and publication.

Value for Money Assessment

- 3.4 In addition, the report assesses overall value for money arrangements at the Council. Consequently, the Auditors will also provide an opinion on whether overall the Council provides value for money on a pure “yes or no” basis. This takes into account the Council’s performance on securing efficiency savings and its resilience to financial pressures.
- 3.5 A detailed report on the Council’s arrangements for ensuring financial resilience is subject to the next report on this Agenda.

Letter of Representation

- 3.6 At the end of the Audit, the Council is required to provide a Letter of Representation. This is appended to Grant Thornton’s Report. It requires the Council’s Chief Finance (Section 151) Officer to provide assurances about the status of the accounts and financial statements.
- 3.7 It also confirms that the appropriate law, regulations and codes of practice have been complied with and that no irregularities exist that could have a material effect on the financial statements.
- 3.8 Essentially, it confirms that there are no material issues or transactions known, other than those already reported and disclosed that could materially affect the accounts for 2011/12.
- 3.9 Following this and subject to any issues raised, the Chief Finance Officer will officially sign the letter to finalise this particular part of Audit work for the year.

4.0 Financial Implications

- 4.1 None directly.

5.0 Corporate Implications

- 5.1 None directly.

6.0 Community Implications

- 6.1 None directly.

7.0 Background Papers

None