

	Finance & Audit Scrutiny Committee - 12 March 2013	Agenda Item No.	5
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Title	Auditing Standards – Report from External Auditors
For further information about this report please contact	Mike Snow (01926) 456800
Service Area	Finance
Wards of the District directly affected	None specifically
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No
Date and meeting when issue was last considered and relevant minute number	
Background Papers	None

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Deputy Chief Executive		Andy Jones
Chief Executive		
CMT		
Section 151 Officer		Mike Snow
Legal		
Finance		Mike Snow
Portfolio Holder(s)		Councillor Andrew Mobbs
Consultation Undertaken		
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Final Decision?	Yes/No	
Suggested next steps (if not final decision please set out below)		

1. **SUMMARY**

- 1.1 Ahead of the audit of the 2012/13 accounts, the external auditors have prepared a report considering the arrangements that are in place that will reduce the risk of material misstatement within the accounts. Finance and Audit Scrutiny Committee are required to consider this report.

2. **RECOMMENDATION**

- 2.1 The Finance and Audit Scrutiny Committee considers Grant Thornton's report and the responses therein, and confirms it is satisfied with the arrangements.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 In planning and performing the audit of the financial statements the auditors need to understand how the Finance & Audit Scrutiny Committee, as "those charged with governance", supported by the Council's officers, meets its responsibilities in the following areas:

- fraud
- laws and regulations
- going concern
- related party transactions
- accounting for estimates.

The accompanying external auditor's report summarises the respective responsibilities of the Finance & Audit Scrutiny Committee, officers and external audit in each of these areas, as set out by International Standards on Auditing (UK and Ireland) (ISAs). The external auditors primary responsibility is to consider the risk of material misstatement.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 None.

5. **BUDGETARY FRAMEWORK**

- 5.1 This audit of the accounts is due to be undertaken within the agreed budget. There are no additional budgetary implications from this report.

6. **POLICY FRAMEWORK**

- 6.1 By considering the documents, members can see how external audit can assist the Council in its priority of managing the Councils resources effectively and ensuring its services are of a high quality.