

AUDIT, GOVERNANCE & STANDARDS COMMITTEE

25th September 2014

GRANT THORNTON AUDIT FINDINGS REPORT 2013/14

Relevant Portfolio Holder	Cllr John Fisher
Portfolio Holder Consulted	Yes
Relevant Head of Service	Jayne Pickering (Exec Director)
Wards Affected	All
Ward Councillor Consulted	None specific

1. SUMMARY OF PROPOSALS

- 1.1 To enable Members to consider the Audit Findings Report as attached at Appendix 1 for 2013/14 from Grant Thornton.

2. RECOMMENDATIONS

- 2.1 **The Committee is asked to RESOLVE that**

the Audit Findings Report 2013/14 from Grant Thornton be approved.

3. KEY ISSUES

Financial Implications

- 3.1 None other than those included in this report.

Legal Implications

- 3.2 The Accounts and Audit Regulations 2011 require that the Council complies with statutory accounting legislation and changes.

Service / Operational Implications

- 3.3 The Statement of Accounts were approved by the Executive Director of Finance and Resources in June 2014 in accordance with revised legislation on approval of the accounts which included formal approval of the Accounts by Council by 30th September each year.
- 3.4 During the External Audit of the Accounts for 2013/14 it was recognised by Grant Thornton that the accounts were well prepared and working papers appropriate. There were no significant changes to the statement of accounts this financial year.

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- 3.5 The auditors have issued a qualified opinion this year on the Value for Money conclusion. This is due to weaknesses being identified around financial resilience’.

The main issues informing this conclusion are:

- Weaknesses in medium-to long-term financial planning, specifically the absence of an up-to-date, sustainable 3-5 year medium-term financial plan.
- Lack of robust plans to deliver savings required to balance the budget.
- Planned use of reserves to fund recurrent expenditure that is not, for example, part of planned invest to save initiatives.

- 3.6 There are a numbers of recommendations that officers are working through and will bring back an action plan at a later date.

Customer / Equalities and Diversity Implications

- 3.7 None as a direct result of this report.

4. RISK MANAGEMENT

- 4.1 The corporate risk register includes the preparation of the accounts and the controls in place to ensure the accounts are treated in compliance with accounting standards.

5. APPENDICES

Appendix 1 – Grant Thornton – Audit Findings Report 2013/14

Appendix 2 – Grant Thornton – Draft Letter of Representation 2013/14

AUTHOR OF REPORT

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