

1. **ANNUAL AUDIT LETTER 2012/13**

**Submitted by:** Executive Director – Resources and Support Services

**Portfolio:** Finance and Resources

**Ward(s) affected:** All

**Purpose of the Report**

To receive the Annual Audit Letter from the council's external auditors, Grant Thornton, dealing with the Audit of Accounts 2012/13 (Appendix A).

**Recommendation**

**That Grant Thornton's Annual Audit Letter be received and a copy sent to all elected members.**

**Reasons**

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and corporate governance of public services.

The Annual Audit Letter from Grant Thornton dealing with the Audit of Accounts 2012/13 is addressed to the Council, but is also available as a public document for interested parties, including the community served by the Council.

1. **Background**

1.1 Grant Thornton's Annual Audit Letter summarises the conclusions arising from the audit and inspection of the Council for the financial year 2012/13.

1.2 The letter summarises the findings from the 2012/13 audit. It includes messages arising from the audit of the financial statements together with the results of the work that Grant Thornton have undertaken to assess the way the Council is managing performance together with the Council's arrangements for securing value for money in its use of resources.

2. **Issues**

Grant Thornton have issued an unqualified opinion on the Authority's 2012/13 financial statements and concluded that the Authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

3. **Options Considered**

3.1 To do nothing is not an option for the Council.

3.2 The Annual Audit Letter is based on information and evidence supplied by officers and members and has been through a process of quality control. To challenge the reports and review findings is therefore not a feasible option.

3.3 The Annual Audit Letter should be received.

4. **Proposal**

To receive Grant Thornton's Annual Audit Letter.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

The external audit function gives assurance on the stewardship of public resources and effectiveness of its services in terms of value for money as well as contributing to the prevention, detection and investigation of potential fraud and corruption incidents.

6. **Legal and Statutory Implications**

This report raises no new statutory or legal implications.

7. **Equality Impact Assessment**

There are no differential equality impact issues identified from this proposal.

8. **Financial and Resource Implications**

This report raises no additional financial or resource implications in itself.

9. **Major Risks**

The risk of the Council not learning from the issues raised in the Annual Audit Letter may result in the provision of poorer services and increased inspection.

10. **List of Appendices**

Appendix A: Annual Audit Letter – October 2013