

AUDIT AND RISK COMMITTEE

19th September 2017

EXTERNAL AUDITORS REPORT

Report of the Director for Resources

Strategic Aim:	Delivering Services within the Medium Term Financial Plan	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr T Mathias, Leader, Portfolio Holder for Finance and Places (Highways, Transport and Market Towns)	
Contact Officer(s):	Saverio Della Rocca, Assistant Director (Finance)	01572 758159 sdrocca@rutland.gov.uk
	Andrew Merry, Finance Manager	01572 758152 amerry@rutland.gov.uk
Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That the Audit and Risk Committee:

1. Receive the External Auditors Report and consider any issues arising; and
2. Approve the letter of representation in Appendix 1 for signing by the Chair of this Committee and the s151 Officer (the Assistant Director - Finance).

1 PURPOSE OF THE REPORT

- 1.1 The external auditors report to those charged with governance is appended to this report. The report informs the Committee on matters arising from the audit of the financial statements and the results of the work undertaken to assess the Council's arrangements to secure value for money in its use of resources.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The Statement of Accounts (SoA) was approved for publication by the Assistant Director - Finance on 30 June 2017 and submitted to the external auditor, together with accompanying working papers for the start of the audit on 17 July 2017.
- 2.2 A number of minor presentational changes were agreed with the external auditor during the course of the audit and these have been incorporated into the SoA that is reported to you for approval on a separate item on the agenda. None of the

changes have affected the overall financial position and the General Fund balance at 31 March 2017.

- 2.3 Members will be pleased to note that the Council has again received an unqualified audit opinion on the Statement of Accounts. The Auditors have also concluded that the Council has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources. One recommendation has been made to which the Council has responded in Appendix 1 of the report.
- 2.4 The Council is required to provide a signed version of the letter of representation (Appendix A) stating the basis upon which the SoA have been compiled. The external auditors sometimes request specific assurances about certain areas but this is not the case in this instance.

3 CONSULTATION

- 3.1 Under the Accounts and Audit Regulations 2015 and the Local Audit and Accountability Act the public have been able to view and comment on the accounts from the 3 July 2017 and ending on the 11 August 2017 (30 working days). At the time of writing the report there had been no requests to view or comment on the accounts to either the Council or to the Auditors.

4 ALTERNATIVE OPTIONS

- 4.1 The Audit and Risk committee could choose not to sign the Letter of Representation. However, doing so would result in the Council not meeting its statutory duty to approve and publish audited accounts by the 30 September 2017.

5 FINANCIAL IMPLICATIONS

- 5.1 None – The report in appendix A confirms the council received an unqualified audit opinion and secured value for money.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 Section 3 of Part 3 of the Councils Constitution state that it is the responsibility of the Audit and Risk Committee to approve the Councils Annual Statement of Accounts and Annual Governance Statement, which the letter of representation forms part of.
- 6.2 Other than the statutory requirement to publish the signed audited accounts by the 30 September 2017, there are no further legal considerations.

7 EQUALITY IMPACT ASSESSMENT

- 7.1 An Equality Impact Assessment (EqIA) has not been completed because there are no service, policy or organisational changes being proposed.

8 COMMUNITY SAFETY IMPLICATIONS

- 8.1 There are no community safety implications.

9 HEALTH AND WELLBEING IMPLICATIONS

- 9.1 There are no health and wellbeing implications.

10 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

10.1 This report presents the opinion from the external auditors and highlights some of the key matters, and asks the Audit and Risk Committee to approve the letter in line with their constitutional responsibility.

11 BACKGROUND PAPERS

11.1 There are no additional background papers to the report.

12 APPENDICES

12.1 Appendix A – Letter of Representation

12.2 Appendix B – Report to those charged with Governance (ISA 260) 2016/17

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577