

2014/15 Audit Findings Report

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Purpose of the Report

This report introduces Grant Thornton's Audit Findings Report for 2014/15.

Recommendation(s)

1. That the Audit Committee considers the matters raised in the report;
2. Note the audit findings as outlined in Section two of this report;
3. Note the Value for Money criteria has been met;
4. Agree the recommended actions in Appendix A.

Background

Under the International Standard on Auditing, Grant Thornton report on the overall financial statements and governance of South Somerset District Council. The review of these reports is included within the remit of Grant Thornton under its terms of reference as follows:

"To consider the reports of external audit including the Annual Audit Letter and seek assurance from management that action has been taken"

"To review and approve the annual Statement of Accounts, external auditor's opinion and reports to members and monitor management action in response to issues raised"

The Report

The report summarises the findings from the 2014/15 work of Grant Thornton UK LLP relating to governance. It covers the following areas:

The Statement of Accounts/Annual Governance Statement

The Grant Thornton report gives an unqualified opinion on the financial statements for 2014/15. It also outlines that in all material respects the Council has complied with the requirements of IFRS (International Financial Reporting Standards), which were introduced for the 2010/11 accounts.

The report outlines one adjusted misclassification, one presentation issue, and a number of minor disclosure and presentation adjustments required.

The Action plan agreed by officers is attached at Appendix A.

Value for Money

Grant Thornton is required to make a statement on whether the authority has made arrangements for securing economy, efficiency and effectiveness in its use of resources. This is now measured by two criteria as follows:

- Securing financial resilience;
- Challenge economy, efficiency and effectiveness.

Grant Thornton has assessed arrangements at SSDC meet the criteria. Overall risk criteria show the authority as having adequate arrangements (green). There are two sub categories highlighted as adequate arrangements with areas for development (amber) outlined on page 25.

Fees

The fees charged for the audit of the Statement of Accounts were £65,701.

Financial Implications

There are no additional financial implications associated with these recommendations.