

Audit Committee – 24th January 2008

## 6. Financial Statements Report

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### Purpose of the Report

This report introduces the Audit Commission's annual Financial Statements Report for 2006/07.

### Recommendation

That the Audit Committee note the contents of the Audit Commission's report and that the action plan has been added to the Strategic Improvement Plan.

### Background

The Audit Commission, as part of their work, report on the overall financial statements of South Somerset District Council. The review of these reports is included within the remit of the Audit Committee under its terms of reference as follows:

"To consider the reports of external audit and inspection agencies 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 from the Audit Commission is attached (pages 21-28) and summarises that there are no key issues arising from the audit of the Council's statement of accounts for the year ended 31<sup>st</sup> March 2007. An action plan has been agreed for four actions arising from the audit, three of which have been outlined as low priority and one has already been completed. The actions will be added to the Strategic Improvement Plan for members to monitor that the actions agreed will be carried out.

### Financial Implications

There are no financial implications.

**Background Papers:** *Audit Commission – Financial Statements Report*

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