

REPORT TO	ON
Governance Committee	29 th November 2017

External Audit Annual



TITLE	REPORT OF
External Audit Annual Audit Letter for the Year ended 31 March 2017	Acting Chief Finance Officer (s151)

Is this report confidential?	No
------------------------------	----

1. PURPOSE OF THE REPORT

The external auditor (Grant Thornton) will present their Annual Audit Letter to the committee, following the completion of the annual audit for 2016/17.

2. RECOMMENDATIONS

2.1 That members note the findings in the Annual Audit Letter for 2016/17 (Appendix A)

3. EXECUTIVE SUMMARY

3.1 It is the responsibility of the External Auditors under statute to:

- i) Give an opinion on the Council's financial statements.
- ii) Assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resource (also known as the value for money (VfM) conclusion).

3.2 At the meeting on 13th September, the Governance Committee received a report of the external auditor on their audit findings for the authority for the year ending 31 March 2017 that highlighted key matters arising for the Council's financial statements and appreciation of the finance team and associated officers for their assistance during the audit.

3.3 At the time of the September meeting the audit work was still being finalised but the auditors informed the committee that they intended to issue both a financial statements opinion and a Value for money conclusion by the statutory deadline for the 2016/17 accounts of 30 September 2017.

3.4 On the 29th September 2017, Grant Thornton gave an unqualified opinion on the Council's financial statements and a qualified value for money conclusion. The detailed findings and conclusions are set out in the attached Annual Audit letter.

4. CORPORATE PRIORITIES

The report relates to the following corporate priorities:

Clean, green and safe		Strong and healthy communities	
Strong South Ribble in the heart of prosperous Lancashire		Efficient, effective and exceptional council	✓

5. WIDER IMPLICATIONS AND BACKGROUND DOCUMENTATION

5.1 Comments of the Statutory Finance Officer

The audit letter concludes that the accounts were generally of a good quality and the finance team responded as required to queries identified. It has been agreed that some disclosure issues which were identified will be addressed for 2017/18.

As previously advised, the statutory deadlines for approval and publication of the audited accounts has been brought forward for 2017/18 and future years. The accounts will need to be available for audit by 31 May and the audited accounts published by 31 July 2017, two months earlier than in 2016/17. Officers are working with the external auditors to ensure these deadlines can be achieved and Governance Committee dates are being revised to meet these new requirements.

5.2 Comments of the Monitoring Officer

The audit letter finds that the Annual Governance Statement (AGS) was prepared in line with relevant guidance and was consistent with the supporting evidence and the external auditor's own knowledge of the council.

Members should note that the timetable for approving next year's AGS (in conjunction with the accounts) has been brought forward as explained in the preceding section of this report.

Other implications: ▶ Risk ▶ Equality & Diversity ▶ HR & Organisational Development ▶ Property & Asset Management ▶ ICT / Technology	<p>The external auditor has applied a risk based approach and the annual audit letter sets out key risks identified, the work undertaken and their findings and conclusions in relation to those risks.</p>
--	---

8. BACKGROUND DOCUMENTS

Governance Committee 13th September 2017: External Audit - 2016/17 Audit Findings and Progress Report

Appendix A: The Annual Audit Letter for South Ribble Borough Council (Grant Thornton)

SMT Member's Name: Jane Blundell
Job Title: Acting s151 officer

Report Author:	Telephone:	Date:
Jane Blundell	01772 625245	20/11/17