

Audit and Standards Committee – 14th February 2013

Report of the Treasurer

External Auditor Report: Certification Work 2011/12

Purpose of Report

1. The External Auditor's Annual Report on Certification of Claims and Returns for 2011/12 is attached and representatives from Grant Thornton will be available at the meeting to deal with any issues.

Background

2. As from 1 November 2012, the Council's external auditor is Grant Thornton. The external auditor undertakes a range of audits.
3. Whilst the report is issued in Grant Thornton's name, the majority of the work was undertaken by the Council's previous external auditor, the Audit Commission. Due to circumstances beyond the Audit Commission's control, the report could not be finalised before they ended their appointment as external auditor.
4. For 2011/12 the External Auditors undertook work to certify council grant claims and returns totalling £263m. Their Annual Report on that work is attached as an Appendix. The report outlines issues arising from their work and makes a number of recommendations for the Council's grant claiming processes.
5. Auditors are required to conduct their work in accordance with instructions agreed with the grant awarding department or body and, subject to any permitted discretion, to issue qualifications where the strict grant conditions are not met. The vast majority of qualifications do not result in any withdrawal of grant by the awarding department or body.

Finance

6. The Audit Commission charged fees for grant certification work for 2011/12 of £74,867 and Grant Thornton charged £12,670.

Law

7. Legislation appertaining to Local Authority Audit and Accounts is contained in the Local Government Act 1999, the Audit Commission Act, 1998, and regulations made therein.

Equality Impact

8. A number of the grants that the Council receives are for activities benefiting children and young and disadvantaged sections of the community.

Recommendation

9. That Members note and comment on the External Auditor's Annual Report on Certification of Claims and Returns for 2011/12 attached to this report.



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Iain Newman
Treasurer

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List of Background Papers

Certification of claims and returns – annual report 2011/12