

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

06 October 2014

Report of the Director of Finance and Transformation

Part 1- Public

Matters for Information

1 EXTERNAL AUDITORS REPORT ON THE OUTCOME OF THE AUDIT OF THE STATEMENT OF ACCOUNTS 2013/14

To inform Members of the outcome of the audit of the Council's Accounts for the year ended 31 March 2014.

1.1 Introduction

1.1.1 Our external auditor (Grant Thornton UK LLP) is required to issue a report to those charged with governance covering, amongst other things, the outcome of the audit of the Accounts, and for this to be endorsed and approved before the Accounts are signed off. Under the Council's constitutional arrangements the External Auditors Report for 2013/14 [**Annex 1**] was presented and approved at the General Purposes Committee on 1 September.

1.2 Conclusions and Recommendations

1.2.1 Members will note there were no material issues that needed to be brought to the attention of the General Purposes Committee following the audit. However, the Auditors Report does contain an action plan at Appendix 1 which is set out below.

Rec No.	Recommendation	Priority	Management response	Implementation date & responsibility
1	The Council now performs an annual exercise to assess if the carrying value of assets not subject to formal external revaluation differs materially from fair value. We recommend that in future years the	Significant deficiency (risk of significant misstatement)	New procedural guidelines to be drafted and implemented for 'interim' valuations to involve external valuers certification of procedure.	For 14/15 Valuations by Principal Accountant

	Council obtains input from an external valuer to inform this review.			
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1.2.2 There were a small number of minor technical or textual changes. Since only technical or textual changes have been made to the Accounts following the audit, I do not propose circulating copies of the audited Accounts to all Members. For completeness, however, the Chairman of the General Purposes Committee is to sign a copy of the audited accounts at the appropriate time. A copy of the Statement of Accounts 2013/14 will be placed in the Members' library and made available on the Council's website.

1.2.3 In addition, we have prepared a Summary Statement of Accounts document for publication, copies of which will also be placed in the Members' library and made available on the Council's website.

With regard to value for money Members will note the Report reads: "On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2014."

1.3 Legal Implications

1.3.1 There are a number of legislative requirements to consider in the preparation and publication of the Statement of Accounts that have been addressed as we moved through the closedown process.

1.4 Financial and Value for Money Considerations

1.4.1 The cost of the work is as notified to us in the 2013/14 Audit Plan.

1.5 Risk Assessment

1.5.1 The Statement of Accounts is a statutory document and, therefore, failure to prepare and publish the Accounts in accordance with proper accounting practice and within the statutory timescale could lead to qualification of the Accounts.

Background papers:

Nil

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