



LEE VALLEY REGIONAL PARK AUTHORITY

AUDIT COMMITTEE

22 SEPTEMBER 2016 AT 13:30

Agenda Item No:

5

Report No:

AUD/73/16

**EXTERNAL AUDITORS' AUDIT RESULTS REPORT –
2015/16 ACCOUNTS**

Presented by the Director of Finance & Resources

SUMMARY

In June Members of the Audit Committee received a full report on the un-audited accounts (Paper AUD/71/16). This paper presents the external auditors' report to Members (the Audit Results Report) following conclusion of the 2015/16 audit of the Authority's Financial Accounts.

The Audit Results Report will be tabled as Appendix A to this report. Subject to the satisfactory resolution of any outstanding issues, the auditors intend giving an unqualified opinion. Debbie Hanson, Director, and Stephen Bladen, Manager, will be at the meeting to present their report and answer questions as required.

Members will be aware that Ernst & Young were appointed as the Authority's external auditors for five years from 2012/13.

RECOMMENDATIONS

Members Note: (1) the External Auditors' Audit Results Report for the Authority's 2015/16 Financial Accounts; and

Members Approve: (2) delegated authority to the Chair of the Audit Committee to approve any final amendments and to sign-off the 2015/16 Annual Accounts and the Letter of Representation.

BACKGROUND

- 1 The role of the external auditor is to provide an independent assessment of how the Authority is discharging its responsibility for the stewardship of public money, an audit opinion upon the Authority's financial statements as well as giving a view on proper arrangements within the Authority for securing economy, efficiency and effectiveness in the use of resources. The auditors' conclusions are reported in their Audit Results Report (ARR) which summarises their work and recommendations.

AUDIT RESULTS REPORT 2015/16

- 2 The draft ARR for 2015/16 will be tabled as Appendix A to this report as the Audit only recently commenced on 12 September 2016. The auditors will take Members through their report. Subject to the satisfactory resolution of any outstanding issues, the auditors intend to give an unqualified opinion on the financial statements and conclude that appropriate arrangements are in place in relation to the value for money conclusion. Members are requested to delegate authority to the Chair of Audit Committee to approve any final amendments to ensure the statutory reporting requirements by the 30 September 2016 are achieved.
- 3 The objectives of the audit are structured around three main elements as set out below:
 - (i) the audit of financial statements 2015/16;
 - (ii) reporting on an exception basis on the Annual Governance Statement (AGS); and
 - (iii) reporting matters in relation to corporate performance and financial management arrangements for securing economy, efficiency and effectiveness in the use of resources (the Value for Money conclusion).
- 4 The comments made by the Auditor should be viewed in the context of the whole internal control framework. The Authority has robust systems of control verified by Mazar's (the Authority's internal auditors) who review the Authority's core systems. In all cases a full/substantial assurance was reported to Members in June this year (paper AUD/69/16) for the core systems.
- 5 Further assurance is derived from the External Auditor who has carried out full substantive testing to address the risks identified in the Audit Plan and they have gained the required assurance to mitigate against a material misstatement in the Authority's financial statements.
- 6 Currently there are no matters to report.

ENVIRONMENTAL IMPLICATIONS

- 7 There are no environmental implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

- 8 There are no equality implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 9 If Members accept the ARR then the Director of Finance & Resources and the Chair of the Audit Committee will be required to sign off the accounts and the Letter of Representation.
- 10 A full set of accounts will be published on the Authority's website when the Audit Director issues her formal opinion and the accounts are signed off.

HUMAN RESOURCE IMPLICATIONS

- 11 There are no human resource implications arising directly from the recommendations in this report.

LEGAL IMPLICATIONS

- 12 There are no legal implications arising directly from the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

- 13 There are no risk implications arising directly from the recommendations in this report.

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BACKGROUND REPORTS

Final Accounts Working Files

June 2016

PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/71/16	Unaudited Accounts 2015/16	16 June 2016
Audit Committee	AUD/69/16	Annual Report on the Work of Internal Audit 2015/16& Audit Plan 2016/17	16 June 2016
Audit Committee	AUD/67/16	External Audit 2015/16 – Audit Plan	16 June 2016

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