

# Audit, Governance & Standards

11 July 2016

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

## External Audit Update July 2016

<b>Final Decision-Maker</b>	Audit, Governance & Standards Committee
<b>Lead Director or Head of Service</b>	Mark Green, Director of Finance & Business Improvement
<b>Lead Officer and Report Author</b>	Ellie Dunnet, Chief Accountant
<b>Classification</b>	Non-exempt
<b>Wards affected</b>	None

### This report makes the following recommendations to the final decision-maker:

1. That the committee notes the external auditor's update report attached at **Appendix I**.

### This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all
- Securing a successful economy for Maidstone Borough

The report is focused on ensuring that the auditor's opinion on the 2015-16 financial statements and value for money conclusion are issued by the statutory deadline of 30 September 2016.

### Timetable

<b>Meeting</b>	<b>Date</b>
Audit, Governance & Standards Committee	11 July 2016

# External Audit Update July 2016

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The committee are invited to consider the report of the external auditor which provides an update on progress with the 2015-16 audit and offers a summary of emerging national issues and developments of relevance to the local government sector.
- 1.2 Representatives from Grant Thornton will be in attendance at the meeting to present their report and respond to questions.
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## 2. INTRODUCTION AND BACKGROUND

- 2.1 External audit services are provided by Grant Thornton who successfully tendered for the five year contract from 2012-13 following the abolition of the Audit Commission's audit practice.
- 2.2 This report provides an update on progress with the 2015-16 audit and informs committee members of a number of relevant emerging issues and developments.
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## 3. AVAILABLE OPTIONS

- 3.1 The committee could choose not to consider this report, however this option is not recommended as to do so could have an adverse impact on the Audit, Governance and Standards Committee's ability to discharge its responsibilities in relation to external audit and governance.
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## 4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Given the respective responsibilities of both the external auditor and this committee, an update report of this nature is judged to be appropriate for consideration by committee members.
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## 5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	The report is focused on ensuring that the auditor's opinion on the 2015-16 financial statements and value for money conclusion are issued by the statutory deadline of 30 September 2016.	Section 151 Officer & Finance Team
<b>Risk Management</b>	This report supports the committee in the	Section 151

	delivery of its governance responsibilities. It also helps to mitigate the risk of non-compliance with the statutory timetable for the production and audit of the annual accounts through timely communication of any potential issues.	Officer & Finance Team
<b>Financial</b>	There are no direct financial implications to this report but it provides Members with useful background on the audit process and broader issues.	Section 151 Officer
<b>Staffing</b>	Not applicable	
<b>Legal</b>	Not applicable	
<b>Equality Impact Needs Assessment</b>	Not applicable	
<b>Environmental/Sustainable Development</b>	Not applicable	
<b>Community Safety</b>	Not applicable	
<b>Human Rights Act</b>	Not applicable	
<b>Procurement</b>	Not applicable	
<b>Asset Management</b>	Not applicable	

## 6. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- **Appendix I:** External Audit Update July 2016

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## 7. BACKGROUND PAPERS

None