

CHERWELL DISTRICT COUNCIL
ACCOUNTS, AUDIT AND RISK COMMITTEE

17 DECEMBER 2008

REPORT OF STRATEGIC DIRECTOR – CUSTOMER SERVICE AND RESOURCES

EXTERNAL AUDIT REPORT

1 Introduction and Purpose of Report

- 1.1 The external auditor will provide Members of the Committee with reports on:-
1. Opinion Audit 2007/08; and
 2. Use of Resources 2007/08

2 Wards Affected

- 2.1 None

3 Effect on Policy

- 3.1 The content of the reports may lead Members to review policies if appropriate

4 Contact Officer(s)

- 4.1 Karen Curtin (Ext 1551).

5 Final Accounts Report 2007/08

- 5.1 The Code of Audit Practice requires that the Audit commission give an opinion on the Council's annual financial statements as well as document and test the core financial systems on which those statements are based.
- 5.2 The Audit Commission was able to issue an unqualified opinion and certificate on the statutory deadline of 30 September 2008. They commented that the quality of the accounts this year was a significant improvement on previous years and that this was reflected in a considerably lower number of amendments and issues arising. The report concludes that officers acted proactively in relation to previous years issues and that there was a strong focus on SORP compliance.
- 5.3 The Opinion Report is appended at Annex 1 and contains an agreed action plan at Annex 2 to deal with the issues identified.

6 Use of Resources 2007/08

- 6.1 The report is appended at Annex 3 and provides the detailed scores at both Theme and Key Line of Enquiry level. The report concludes that the Council has consolidated its

performance in a number of areas, particularly around financial management, financial standing and internal control. There has been improvement in financial reporting and achievement of value for money.

		Score 2007	Score 2008
KLOE 1	Financial Reporting	2	3
KLOE 2	Financial Management	3	3
KLOE 3	Financial Standing	3	3
KLOE 4	Internal Control	3	3
KLOE 5	Value for Money	2	3

- 6.2 The Council is preparing for the 2008/09 assessment which will form part of the Corporate Area Assessment and will be evaluated against new criteria.

7 Risk Assessment, Financial Effects and Contributions to Efficiency Savings

- 7.1 The following details approved by Karen Curtin (Ext 1551).

7.2 Risk assessment

The reports provide an independent, external assessment of the Council's performance in key areas of financial management. The findings will help inform and shape improvements in the Council's financial arrangements, reducing the risk of financial failings.

7.3 Financial effects

No direct expenditure effects but the reports will influence future financial management arrangements.

7.4 Efficiency savings

None

8 Recommendation

- 8.1 The Committee is Recommended to consider and accept
1. Final Accounts Report 2007/08; and
 2. the Use of Resources Report 2007/08

Background Papers:

- (a)