

Public Document Pack



MEETING:	Full Council
DATE:	Thursday, 26 July 2018
TIME:	10.30 am
VENUE:	Council Chamber, Barnsley Town Hall

SUPPLEMENTARY AGENDA

3. External Annual Governance Report - Presentation (*Pages 3 - 12*)

The Council will receive a presentation from the External Auditor on the External Annual Governance Report.

A handwritten signature in black ink that reads 'Diana Terris'.

Diana Terris
Chief Executive

25th July, 2018

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ISA260 Reporting

External Audit Presentation to Barnsley Metropolitan Borough Council

—

26 July 2018



Agenda

- **A brief introduction on:**
 - Your external audit team
 - Our responsibilities
- **Headlines from our work**
- **The key findings arising from our work:**
- **Opportunity to ask questions of what we do**



Your external audit team



Clare Partridge

Engagement Lead

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- We also have a strong local team in support
- KPMG is the leading external audit provider to local authorities in the Yorkshire and Humber
- We have strong links with other public sector bodies across the region and nationally

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Amy Warner

Manager

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Our roles and responsibilities

Financial Statements

We consider if:

- The accounts are properly prepared in accordance with legal and accounting standards
- proper practices have been observed in the compilation of the accounts
- the accounts present a “true and fair view” of the activities of the Council

To do this we:

- Audit of your financial statements
- Review your annual governance statement
- Consider matters brought to our attention by electors

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Use of Resources

We consider if:

- Proper arrangements were in place to ensure the Council took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people

To do this we:

- Consider risks
- Consider work of other regulatory bodies
- Review your strategic risk register
- Carry out risk based work if required

Whole of Government Accounts

We:

- Must report to NAO on consistency with audited accounts or accounting records
- Draw attention to inconsistencies

To do this we:

- Audit your WGA return

Headlines from our work

Financial Statements

Clean (unqualified) opinion on your financial statements

Meaning we have checked that the amounts you say you have received and spent and money you owe and are owed, have been correctly recorded. We have also checked where you have to use judgements that those judgements are well thought through.

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Use of Resources

Clean (unqualified) conclusion on your use of resources

Meaning we have looked at your outcomes and what your main regulators have said about you and we found no significant concerns.

Whole of Government Accounts

Clean (unqualified) consistency statement on the WGA return

Meaning that the Council's balances with its counter parties should not affect national consolidation.

Key findings from our work

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Accounts, working papers & finance team	<p>Accounts and working papers produced to high standard</p> <p>Finance team dealt with audit queries efficiently and professionally</p>
Audit Risks	<p>We identified the following audit risks for 2017/18:</p> <ul style="list-style-type: none"> — Valuation of LGPS pension assets and liabilities — Valuation of Property, Plant and Equipment <p>These risks have been mitigated</p>
VFM Risks	<p>We identified the following VFM risk for 2017/18:</p> <ul style="list-style-type: none"> — Delivery of Budgets <p>This risk has been mitigated</p>
Audit Adjustments	<p>We identified the following adjusted audit differences as part of our work:</p> <ul style="list-style-type: none"> — Amendment to accounting treatment of early payment of pension deficit — Minor presentation adjustments in relation to notes to the accounts <p>All were adjusted in the final version of the accounts.</p> <p>We identified the following unadjusted audit difference as part of our work:</p> <ul style="list-style-type: none"> — Increase in valuation of pension assets arising from applying more timely assumptions for the return of investment <p>We did not require an adjustment in relation to this balance.</p>

Key findings from our work

Recommendations

Three recommendations raised in year:

- Improvements to SAP IT controls
- Ensuring robust governance controls around the Glassworks project are maintained
- Receipt of related party declaration forms from all councillors

Annual Governance Statement

Complies with CIPFA guidance and is consistent with other information the Council publishes



Questions?



Thank you



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