

REPORT TITLE: AUDIT RESULTS REPORT FOR THE YEAR ENDED 31 MARCH 2018

31 JULY 2018

REPORT OF PORTFOLIO HOLDER: Cllr Guy Ashton

Contact Officer: Liz Keys Tel No: 01962 848226 Email LKeys@winchester.gov.uk

WARD(S): ALL

PURPOSE

The *Audit Results Report for the Year Ended 31 March 2018* is presented by the Council's external auditors, Ernst & Young (EY). The report summarises their preliminary conclusions from the audit of the Financial Statements for 2017/18 and those from their work on the Council's arrangements to secure value for money in the use of resources.

RECOMMENDATIONS:

That the Audit Committee:

1. Consider the matters presented in the Auditor's Report (appendix 1) and take the opportunity to raise any points of clarification or concerns with EY, who will be present at the meeting.
2. Approves the Letter of Representation (appendix 1).

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 External Audit findings contribute to the corporate governance arrangements of Winchester City Council, which in turn supports the achievement of the objectives of the Community Strategy.

2 FINANCIAL IMPLICATIONS

- 2.1 The fee for the audit of the 2017/18 Statement of Accounts was planned to be £56,336. The final fee has been proposed to be £61,336. The fee variation is subject to approval by Public Sector Audit Appointments (PSAA).

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 None

4 WORKFORCE IMPLICATIONS

- 4.1 None

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

6 CONSULTATION AND COMMUNICATION

- 6.1 None

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 None

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 None

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None

10 RISK MANAGEMENT

- 10.1 None

11 SUPPORTING INFORMATION:

- 11.1 EY are expecting to issue an unqualified audit opinion on the financial statements by the statutory deadline of the 31 July 2018. They also have no matters to report on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.
- 11.2 The audit of the financial statements identified one unadjusted difference that EY wish to draw to the Committee's attention. For timing reasons, the actuary estimates the value of the pension fund assets at 31 March. This estimate varied by approximately £31 million from the actual fund value as at 31 March. The Council's estimated share of this variance is £535,000. This non-material variance has not been adjusted in the accounts.
- 11.3 A small number of other disclosure errors were identified by the audit work and have been amended in the accounts.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 None

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

AUD208 Audit Planning Report (March 2018)

Other Background Documents:-

None

APPENDICES:

Appendix 1 Audit Results Report for Year ended 31 March 2018