

WILTSHIRE COUNCIL

AUDIT COMMITTEE

24 JULY 2019

DELOITTE: REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA 260) 2018/19 UPDATE

1. To present Deloitte's "Report to those charged with governance" to the Audit Committee and to invite Members to consider their response. The audit is reaching its conclusion. At present, no major issues have been raised, and the overall report reflects an overall good position. There is however, one area of work that is yet to be completed.
2. During the audit, Deloitte identified an issue with the presentation of the fixed assets in note 15, Property, Plant & Equipment. Although the overall net book value has been calculated correctly, the split between the opening balance on the cost or valuation and the opening balance on the depreciation and impairments needs to be restated. This has been an existing approach which has previously been signed off by the previous external auditors. However, it has been determined that this does need restating to be fully in accordance with guidance. This is in order to remove any accumulated depreciation on revalued assets.
3. Work is currently being undertaken to restate these figures in the accounts. This requires checking each revaluation against the relevant asset in the fixed assets register. There are nearly 10,000 assets in the fixed asset register. This recalculation is not directly available from SAP, so will be undertaken using spreadsheets. This will be available to the auditors in the near future. As this split has not been requested before, so is taking some time to recalculate going back through asset histories.
4. Once this work is completed and audited this will be able to be finalised.
5. The Audit Committee will be updated on the current position of this work at the meeting. It is not possible to complete the work and for the audit to be completed in advance of the Audit Committee, it is recommended that the report is approved, and final sign off is delegated to the Chair of the Audit Committee and Interim Director of Finance and Procurement, once agreement has been finalised with Deloitte.

Appendices:

Appendix A - Deloitte Report to Those Charged with Governance (ISA 260)
2018/2019.