

FINAL ACCOUNTS AND AUDIT COMMITTEE
13 December 2007

PROGRESS ON AUDIT RECOMMENDATIONS

Executive Summary

The external auditor made recommendations in his Annual Governance Report and the response to these recommendations are detailed in this report.

Proposal

To note the responses to the external auditor's recommendations.

Reasons For Proposals

To confirm that officers have acted upon the recommendations made by the external auditor.

Sandra Schofield - Chief Financial Officer

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Purpose of the Report

1. The purpose of this report is to provide the members of this committee with an update on the recommendations made by the external auditor in the Annual Governance Report Audit 2006-07

Background

2. This report is a follow up to The Annual Governance Report Audit 2006-07

Main Considerations for the Committee

3. The recommendations made by the external auditor together with officers' responses are contained in Appendix 1. These recommendations relate to improvements in processes to maintain the quality of the statement of accounts and assurance statements.

Environmental Impact of the Proposal

4. None identified.

Risk Assessment

5. Officers have already implemented changes to address the issues raised in the report, therefore the risk to the authority is low.

Financial Implications

6. There are no specific implications arising from this report.

Proposals

7. To note the responses to the external auditor's recommendations.

Conclusion

8. I believe that the actions being undertaken will help maintain the quality of the information available to the organisation to prepare accounting and assurance statements.

SANDRA SCHOFIELD
Chief Financial Officer

Report Author: Denise Harvey

Unpublished documents relied upon in the production of this report: NONE

Action plan

Appendix 1

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
12	R1 The council should improve its internal quality processes to ensure that future accounts submitted for approval by members are internally consistent and comply with the SORP	3	Denise Harvey	Yes	The SORP requirements change annually. The Corporate Finance Manager has attended training for the 2007-08 SORP.	30 June 2008
12	R2 Internal Audit should document the system for manual journals and improve the way progress on internal audit plans is reported in their annual report, the reporting of responses to audit recommendations and the extent of communication with external inspectorates	2	Chief Internal Auditor	Partly	This is a composite recommendation made up of several elements. The detail in respect of each element is currently under discussion with the external audit team.	June 2008
13	R3 All reconciliations between feeder systems and the general ledger should be completed regularly throughout the year	3	Denise Harvey	Yes	Control account report detailing the reconciliations is sent to the Corporate Finance Manager monthly.	Monthly