

**REPORT TO THE FINAL ACCOUNTS & AUDIT COMMITTEE AND OVERVIEW & SCRUTINY**      Report No.7

<b>Date of Meeting</b>	<b>11 December 2008</b>
<b>Title of Report</b>	<b>Annual Governance Report (Draft)</b>
Link to Corporate Priorities	All
Public Report	Yes

**Summary of Report**

To present to Members the Draft Annual Governance Report, as produced by the Audit Commission.

**Officer Recommendations**

- 1. That the report be noted**
- 2. To note that the North Wiltshire District Council Statement of Accounts 2007/08 were signed off, unqualified, by the District Auditor.**

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
None	None	None	None	None

**Contact Officer**

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## 1. Introduction

- 1.1 The District Auditor signed off the Annual Report and Statement of Accounts for 2007/08 on the 14<sup>th</sup> November 2008. As feedback from their audit and other work, the Audit Commission provide Councils with an Annual Governance Report in respect of matters concerning governance.
- 1.2 The Final Accounts and Audit Committee reviewed the Draft Annual Governance Report at their meeting on the 24<sup>th</sup> November 2008. After robust questioning of the District Auditor and the Section 151 Officer they were content that there had been no fraud within this Council, that the Statement of Accounts had been cleared, unqualified, by the District Auditor and that the majority of the amendments were as a result of aligning the financial statements with other Districts and changes to the Local Authority Statement Of Recommended Practice (SORP) in 2008.

## 2. Options and Options Appraisal

- 2.1 Option 1: To note the contents of the report **This is the preferred option.**
- 2.2 Option 2: To propose alternative recommendations.

## 3. Background Information

- 3.1 The principal objectives of the Annual Governance Report are:
- To reach a mutual understanding of the scope of the audit and the respective responsibilities of the auditor and the Audit Committee (i.e. Final Accounts and Audit Committee)
  - To share information to assist both the auditor and those charged with governance to fulfil their respective responsibilities; and
  - To provide the Audit Committee with recommendations for improvement arising from the audit process.
- 3.2 The Annual Governance Report reports specifically on:
- The Council's financial statements; and
  - Whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 3.3 The Annual Governance Report sets out recommendations for improvement. Ordinarily as an ongoing authority these would then be taken into an action plan to improve overall reporting and performance. Whilst we shall endeavour to improve on performance and take into account the ten core recommendations, Wiltshire Council will in fact be responsible for the Closedown for 2008/09. The relevant recommendations will be shared with the Wiltshire Council Finance Department for consideration. None of the recommendations impact on the day to day financial running of the Council, its budgets or financial standing, they relate to the closedown process and presentation of accounts.

- 3.4 Issues and recommendations identified during the audit of the 2007/08 accounts in respect of presentation etc, will be taken into account during the closedown for 2008/09. There were a number of high value changes to the accounts in respect of presentational aspects and changes to the SORP. The District Auditor has issued an unqualified opinion in respect of the annual report and accounts.

#### 4. Risk Analysis

- 4.1 The Audit Commission assess risk to the Council in all their work. The main risk to the Council inherent in this report is that if recommendations made are not acted upon in accordance with the action plan, the Council will not be as effective and efficient as it could be, with this being reflected in future Audit Commission reports.

<b>Appendices:</b>	<ul style="list-style-type: none"> <li>• <b>Appendix 1. Annual Governance Report (DRAFT)</b></li> <li>• <b>Appendix 2. Final Accounts and Audit Committee Report 10 24<sup>th</sup> November 2008</b></li> <li>• <b>Appendix 3. Final Accounts and Audit Committee draft minutes 24<sup>th</sup> November 2008</b></li> </ul>
<b>Background Documents Used in the Preparation of this Report:</b>	• <b>Included as Appendices</b>

#### Previous Decisions Connected with this Report

<b>Report</b>	<b>Committee &amp; Date</b>	<b>Minute Reference</b>
<b>Annual Governance Report</b>	<b>Final Accounts &amp; Audit Committee – 24<sup>th</sup> November 2008</b>	Draft Minutes