

ANGUS COUNCIL – 1 NOVEMBER 2001**REPORT TO MEMBERS ON THE 2000/2001 AUDIT OF ANGUS COUNCIL****REPORT BY THE DIRECTOR OF FINANCE****ABSTRACT**

This report covers the Audit Scotland's Report to Members on the 2000/2001 Audit of Angus Council and asks the Council to note the action taken in response to the issues raised by the Auditor. It also asks the Council to formally note the 1999/2000 Audited Accounting Statements for Angus Council and its Direct Services Organisation.

1. RECOMMENDATION

The Council is asked to:-

- (a) note the content of the Audit Scotland's Report to Members on the 2000/2001 Audit of Angus Council;
- (b) note the action taken in response to the issues raised by the Auditor;
- (c) note the 2000/2001 Audited Accounting Statements for Angus Council included in the Annual Report and Accounts which are to be circulated under separate Report to this Committee; and
- (d) note the 2000/2001 Direct Services Organisation's Report and Accounts (enclosed with this Report).

2. INTRODUCTION

The Audit Scotland's Chief Auditor (Northern Area) has recently concluded his audit of Angus Council's accounts for the year ended 31 March 2001. Part of the Chief Auditor's responsibilities requires that a final report to Members of the Council and the Controller of Audit is submitted at the conclusion of each year's audit process.

The purpose of the Auditor's report is to summarise all significant matters which have arisen during the course of the audit which he considers are worthy of Members' attention. A copy of this report is attached at Appendix I.

The purpose of this report is to comment where appropriate on the issues raised within the Chief Auditor's report.

3. SPECIFIC ISSUES RAISED

Particular attention is drawn to the following:-

- (a) Audit Certificate

The issue of the Audit Certificate with no qualifications effectively means that the Auditor is satisfied that the Council has operated a high standard of financial stewardship during 2000/2001.

(b) Objection to the Accounts

No objection as such was received in respect of the 2000/2001 Annual Accounts although it will be noted that two complaints were made to the External Auditors. Both these complaints were investigated by the Chief Auditor, one has been officially rebutted and the other previously discussed.

(c) DSO Accounts

The DSO's met their financial objectives in 2000/2001.

(d) Systems Audit Activity

The External Auditor remarks that in planning the work he undertakes, he takes account of the work of the Council's Internal Audit Section. It will be noted that he has concluded that he can continue to place due reliance on the work of Internal Audit.

The External Auditor has issued various reports during the year. The main issues arising from these reports have been discussed with the Auditor and action plans have either been agreed or are being discussed.

Members will wish to note that the Auditor is satisfied that the authority has put in place a number of policies and procedures to help detect and prevent fraud occurring.

(e) Value for Money

The Auditor has commented on various matters in this section but he would seem to be reasonably satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

It will be noted that the publication of Performance Indicators was achieved fully and on time.

4. AUDITED ACCOUNTING STATEMENTS

(a) Angus Council Accounts 2000/2001

The Council is asked to formally note the content of the 1999/2000 Audited Accounting Statements of Angus Council.

(b) Angus Council - DSO Accounts 2000/2001

The Council is also asked to formally note the content of the 2000/2001 DSO Audited Accounting Statements.

5. ACKNOWLEDGMENT

I would like to formally record my appreciation of the expeditious manner in which the audit was conducted and thank the External Auditor for his co-operation, advice and assistance during the course of the audit.

Members will note that the audit of the 2000/2001 accounts brings to an end a period of the Council's Annual Accounts being audited by Peter Johnston, Chief Auditor and his team led by Jim Rundell. I would like to acknowledge the constructive approach adopted over the years to ensure that the audit was dealt with in a positive focused manner.

6. HUMAN RIGHTS IMPLICATIONS

There are no human rights implications pertaining to this report.

7. FINANCIAL IMPLICATIONS

There are no financial implications pertaining to this report.

8. CONSULTATION

The Chief Executive and the Director of Law and Administration have been consulted on the contents of this report.

9. CONCLUSION

The Council met the deadline of submitting its Accounts by the due date of 30 June 2001 and Audit Scotland have completed the audit and issued the Report on the Audit of the 2000/2001 Accounts.

It is clear that the Accounts have been produced to a high standard within a relatively short time scale. This demonstrates a committed partnership approach by the Council and the External Auditor to the production of meaningful timely financial information and also indicates a high standard of financial stewardship within the Council.

D.S. SAWERS
Director of Finance

NOTE: No background papers, as defined by Sections 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

JC/AD
25 October 2001
2000-01AuditAC-1.11.01

