

Annual governance report

South Cambridgeshire District Council

Audit 2011/12



Contents

Key messages	3
Before I give my opinion and conclusion	5
Financial statements	6
Value for money	9
Fees	11
Appendix 1 – Draft independent auditor’s report	12
Appendix 2 – Uncorrected errors	16
Appendix 3 – Corrected errors	18
Appendix 4 – Draft letter of management representation	20
Appendix 5 – Glossary	23

Key messages

This report summarises the findings from the 2011/12 audit which is substantially complete. It includes the messages arising from my audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.

Financial statements

The audit is substantially complete and upon member approval of the final version of the accounts, receipt of the letter of representation and submission of the Whole of Government Accounts return I propose to issue an unqualified opinion and certificate.

My audit identified five reportable errors, including one material disclosure error. Only one of these errors could have impacted on the usable reserves of the Authority and this error has not been amended for. Of the remaining four disclosure errors, three have been amended in the revised financial statements including the material disclosure error.

The documentation and working papers supporting the accounts were of a high standard. A number of trivial amendments were made to the text in disclosure notes to aid clarity and correct typographical errors.

Value for money (VFM)

I intend to issue an unqualified conclusion stating that the Authority has made proper arrangements to secure economy, efficiency and effectiveness in your use of resources.

Securing financial resilience

The Authority has a strong record of delivering within budget. As structural changes have taken place revised systems and procedures have been introduced to build on the strong financial management base.

The current Medium Term Financial Strategy (MTFS) takes full account of the impact of the recession, the current spending round and known changes in legislative responsibilities.

Jointly with Cambridge City Council, using appropriate external resources, the Authority has produced a robust 30 year Housing Revenue Account (HRA) Business Plan to address the issue of HRA self financing.

Securing economy, efficiency and effectiveness

The option appraisal approach to decision making is now embedded and making a positive impact on the evaluation of a wider range of approaches to service provision.

The Authority has taken a positive approach to HRA self financing and sought to use the opportunity it provides to achieve wider housing aims and aspirations.

The Authority has borrowed long term at low fixed rates and is looking to maximise the use of the surpluses made to re-invest in the Authority infrastructure. Clear investment criteria have been established for new housing initiatives with short to medium term payback periods which will improve the overall financial and service delivery performance of the HRA in line with the criteria. This approach ensures greater flexibility to meet any future changes that may occur in the local government and housing markets.

Before I give my opinion and conclusion

My report includes only matters of governance interest that have come to my attention in performing my audit. I have not designed my audit to identify all matters that might be relevant to you.

Independence

I can confirm that I have complied with the Auditing Practices Board's ethical standards for auditors, including ES 1 (revised) - Integrity, Objectivity and Independence.

I am not aware of any relationships that may affect the independence and objectivity of the Audit Commission, the audit team or me, that I am required by auditing and ethical standards to report to you.

The Audit Commission's Audit Practice has not undertaken any non-audit work for the Authority during 2011/12.

I ask the Corporate Governance Committee to:

- take note of the adjustments to the financial statements included in this report (appendices 2 and 3); and
- approve the letter of representation (appendix 4), on behalf of the Authority before I issue my opinion and conclusion.

Financial statements

The Authority's financial statements and annual governance statement are important means by which the Authority accounts for its stewardship of public funds. As elected Members you have final responsibility for these statements. It is important that you consider my findings before you adopt the financial statements and the annual governance statement.

Opinion on the financial statements

Subject to satisfactory clearance of outstanding matters, I plan to issue an audit report including an unqualified opinion on the financial statements. Appendix 1 contains a copy of my draft audit report.

Uncorrected errors

My audit identified two non trivial errors which have not been amended in the revised financial statements. The first of these would not impact on the usable reserves of the Authority whilst the latter would. The two errors were in respect of the:

- carrying value of the repurchased element of equity share scheme properties which was understated; and
- undercharge of Minimum Revenue Provision (MRP) in this and previous years.

These are set out in more detail in Appendix 2 and have not been amended by the Authority on the grounds that neither of the amounts result in a material misstatement of the accounts; and in the latter case the amount set aside is still considered to be "prudent".

Corrected errors

My audit also identified a further three disclosure errors, the second of which was material, that did not impact on the usable reserves of the Authority and are set out in more detail in Appendix 3, namely that the:

- carrying value of the Authority's element of equity share properties was incorrectly shown under *Council Dwellings* rather than *Other Land and Buildings* or *Surplus assets*;

- Capital Financing Requirement (CFR) was not included with a cash overdrawn analysis being provided instead. This did not reconcile to the CFR as the opening balance was understated as a consequence of the work on MRP mentioned above as well as the omission of the impact of the HRA self financing settlement in the closing balance; and
- vacant possession valuation of *Council Dwellings* included that of non HRA properties.

Significant risks and my findings

I reported to you in my February 2012 Audit Plan the significant risk that I identified relevant to my audit of your financial statements. In Table 1, I report to you my findings against that risk.

Table 1: **Risks and findings**

Risk	Finding
<p>HRA reform</p> <p>The government has reformed local authority housing finance by adopting a self-financing model from 1 April 2012. For the Authority this has been through a one-off settlement payment to central government on 28 March 2012 of £205.123 million.</p> <p>The Authority has therefore had to borrow to make this payment, therefore ceasing to be debt free.</p> <p>Due to the complexity, magnitude, timing and lack of clarity, at the time of my Audit Plan, over detailed aspects of the HRA reform there was an identified risk that the financial statements could be materially misstated.</p>	<p>I have evaluated management’s oversight of HRA reforms and the joint preparatory working with Cambridge City Council. I have considered the HRA Business Plan and the amendments to the Authority’s Treasury Management Strategy.</p> <p>I have agreed the detail on the settlement payment to the DCLG notification and the associated accounting treatment to the guidance contained in CIPFA’s LAAP bulletin 92.</p> <p>The Authority has tackled this major financial risk in a comprehensive manner, drawing upon external expertise as appropriate and carrying out detailed sensitivity analysis of the assumptions taken in the Business Plan.</p> <p>The approach provides flexibility within the future approach to council housing provision.</p>

Significant weaknesses in internal control

It is the responsibility of the Authority to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. My responsibility as your auditor is to consider whether the Authority has put adequate arrangements in place to satisfy itself that the systems of internal financial control are both adequate and effective in practice.

I have tested the controls of the Authority only to the extent necessary for me to complete my audit. I am not expressing an opinion on the overall effectiveness of internal control. I have reviewed the Annual Governance Statement and can confirm that: it:

- complies with the requirements of CIPFA/SOLACE Delivering Good Governance in Local Government Framework; and
- is consistent with other information that I am aware of from my audit of the financial statements.

I have not identified during the audit any weaknesses in internal control that are relevant to preparing the financial statements.

Quality of your financial statements

I considered aspects of your accounting practices, accounting policies, accounting estimates and financial statements disclosures. The documentation and working papers supporting the accounts were of a high standard. A number of trivial amendments were made to the text in disclosure notes to aid clarity and correct typographical errors. Therefore there are no significant matters regarding the quality of your financial statements that I need to bring to your attention.

Whole of Government Accounts

Alongside my work on the financial statements, I have also reviewed and will be reporting to the National Audit Office on your Whole of Government Accounts return prior to issuing my audit certificate. The extent of my review and the nature of my report were specified by the National Audit Office. I have no matters to report.

Letter of representation

Before I issue my opinion, auditing standards require me to ask you and management for written representations about your financial statements and governance arrangements. A copy of a letter of representation is included in Appendix 4.

Value for money

I am required to conclude whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is the value for money conclusion.

I assess your arrangements against the two criteria specified by the Commission. In my February 2012 Audit Plan I reported to you the significant risk that was relevant to my conclusion. I have set out below my conclusion on the two criteria, including the findings of my work addressing the risk I identified.

I intend to issue an unqualified conclusion stating that the Authority has proper arrangements to secure economy, efficiency and effectiveness in the use of its resources. I include my draft conclusion in Appendix 1.

Table 2: **Value for money conclusion criteria and my findings**

Criteria	Risk	Findings
<p>1. Financial resilience</p> <p>The organisation has proper arrangements in place to secure financial resilience.</p> <p>Focus for 2011/12:</p> <p>The organisation has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future.</p>	<p>HRA self financing and the preparation of the 30 year Business Plan.</p>	<p>The Authority has a strong record of delivering within budget. As structural changes have taken place revised systems and procedures have been introduced to build on the strong financial management base.</p> <p>The current MTFS takes full account of the impact of the recession, the current spending round and known changes in legislative responsibilities.</p> <p>Jointly with Cambridge City Council, using appropriate external resources, the Authority has produced a robust 30 year HRA Business Plan to address the issue of HRA self financing.</p>

Criteria	Risk	Findings
<p>2. Securing economy efficiency and effectiveness</p> <p>The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.</p> <p>Focus for 2011/12:</p> <p>The organisation is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.</p>	<p>HRA self financing and how the 30 year Business Plan enables the Authority to meet wider housing objectives.</p>	<p>The option appraisal approach to decision making is now embedded and making a positive impact on the evaluation of a wider range of approaches to service provision.</p> <p>The Authority has taken a positive approach to HRA self financing and sought to use the opportunity it provides to achieve wider housing aims and aspirations.</p> <p>The Authority has borrowed long term at low fixed rates and is looking to maximise the use of the surpluses made to re-invest in the Authority infrastructure. Clear investment criteria have been established for new housing initiatives with short to medium term payback periods which will improve the overall financial and service delivery performance of the HRA in line with the criteria. This approach ensures greater flexibility to meet any future changes that may occur in the local government and housing markets.</p>

Fees

I reported my planned audit fee in the February 2012 Audit Plan.

I will complete the audit within the planned fee.

Table 3: Fees

	Planned fee 2011/12 (£)	Expected fee 2011/12 (£)
Audit	114,000	114,000
Claims and returns	29,392	32,400
Non-audit work	0	0
Total	143,392	146,400

The Audit Commission has paid a rebate of £9,120 to reflect attaining internal efficiency savings, reducing the net amount payable to the Audit Commission, excluding claims to £104,880.

Appendix 1 – Draft independent auditor’s report

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Opinion on the Authority financial statements

I have audited the financial statements of South Cambridgeshire District Council for the year ended 31 March 2012 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, the Housing Revenue Income and Expenditure Account, the Statement of Movement on the Housing Revenue Income and Expenditure Account, the Collection Fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2011/12.

This report is made solely to the members of South Cambridgeshire District Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010.

Respective responsibilities of the Executive Director Corporate Services and auditor

As explained more fully in the Statement of the Executive Director Corporate Services’ Responsibilities, the Executive Director Corporate Services is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Director Corporate Services; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the annual report and the introduction to the statement of accounts to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the financial position of South Cambridgeshire District Council as at 31 March 2012 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2011/12.

Opinion on other matters

In my opinion, the information given in the annual report and the introduction to the statement of accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I report to you if:

- in my opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007;
- I issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- I designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Authority to consider it at a public meeting and to decide what action to take in response; or
- I exercise any other special powers of the auditor under the Audit Commission Act 1998.

I have nothing to report in these respects

Conclusion on Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Authority and the auditor

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

I am required under Section 5 of the Audit Commission Act 1998 to satisfy myself that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

I report if significant matters have come to my attention which prevent me from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. I am not required to consider, nor have I considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

I have undertaken my audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2011, as to whether the Authority has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for me to consider under the Code of Audit Practice in satisfying myself whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2012.

I planned my work in accordance with the Code of Audit Practice. Based on my risk assessment, I undertook such work as I considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of my work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2011, I am satisfied that, in all significant respects, South Cambridgeshire District Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2012.

Certificate

I certify that I have completed the audit of the accounts of South Cambridgeshire District Council in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Paul King

Officer of the Audit Commission

Audit Commission,
3rd Floor,
Eastbrook,
Shaftesbury Road,
Cambridge CB2 8BF

September 2012

Appendix 2 – Uncorrected errors

I identified the following errors during the audit which management have not addressed in the revised financial statements.

Item of account	Nature of error	Comprehensive Income and Expenditure Statement (CIES)		Balance sheet	
		Dr £'000s	Cr £'000s	Dr £'000s	Cr £'000s
Purchased element of Equity share properties that are to be resold.	<p>The element of the repurchased equity share properties are valued at <i>Existing Use Value – Social Housing (EUV-SH)</i>, rather than purchase price as a proxy for <i>Fair Value</i>.</p> <p>The Balance sheet alterations are as set out below:</p> <ul style="list-style-type: none"> ■ <i>Surplus assets</i> ■ <i>Capital Adjustment Account</i> <p>In addition, the correction would also lead to consequential changes in the Movement in Reserves Statement (MIRS); CIES and Notes 5, 7,12,16,27 and 28.</p> <p>This item would not impact on the usable reserves of the Authority.</p>			943	943

Minimum Revenue
Provision

Review of the HRA self financing settlement identified an error in the calculation of the CFR in a previous year. The net impact is a cumulative undercharge of £320,000 to the General Fund in respect of MRP in this and previous years. The undercharge in 2011/12 is £52,000.

The correct base will be used for MRP calculations from 2012/13 onwards with no retrospective adjustment for previous years.

Appendix 3 – Corrected errors

I identified the following errors during the audit which management have addressed in the revised financial statements.

		Comprehensive Income and Expenditure Statement (CIES)		Balance sheet	
Item of account	Nature of error	Dr £'000s	Cr £'000s	Dr £'000s	Cr £'000s
Note 28: Property Plant and Equipment (PPE)	<p>All elements of the Authority's holdings in Equity Share property were shown under <i>Council Dwellings</i>.</p> <p>As these properties are not HRA properties they should not be shown under <i>Council Dwellings</i> but as:</p> <ul style="list-style-type: none"> ■ <i>Other Land and Buildings</i> for those elements that are not to be resold; and ■ <i>Surplus assets</i> for the repurchased elements that the Authority is then seeking to resell. 				3,336
				2,739	
				597	
Note 29: CFR	<p>Showed cash overdrawn which did not reconcile to the CFR. Effectively understated opening CFR and excluded HRA self financing borrowing from closing value.</p> <p>Opening CFR understated by £1.664 million and closing balance by £206.793 million.</p>				

Note 40: Housing
Stock

The vacant possession valuation of council dwellings at £937.535 million was overstated as it included General Fund properties. The HRA only council dwelling valuation is £928.98 million.

Appendix 4 – Draft letter of management representation

To:
Paul King
District Auditor
Audit Commission,
3rd Floor,
Eastbrook,
Shaftesbury Road,
Cambridge CB2 8BF

South Cambridgeshire District Council - Audit for the 2011/12 year ended 31 March 2012

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers and members of South Cambridgeshire District Council, the following representations given to you in connection with your audit of the Authority's financial statements for the 2011/12 year ended 31 March 2012. All representations cover the Authority's accounts included within the financial statements.

Compliance with the statutory authorities

I have fulfilled my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Accounts and Audit (England) Regulations 2011 and the Code of Practice on Local Authority Accounting in the United Kingdom which give a true and fair view of the financial position and financial performance of the Authority, for the completeness of the information provided to you, and for making accurate representations to you.

Uncorrected errors

I confirm that I believe that the effects of the uncorrected financial misstatements listed in the Annual Governance Report Appendix 2 are not material to the financial statements, either individually or in aggregate and that these misstatements have been discussed with those charged with governance. The reasons for not correcting these items are as follows;

- Carrying value of repurchased Equity Share properties - The accounts have not been amended for this item as it is not considered to be a material misstatement to the accounts; and
- Shortfall in Minimum Revenue Provision set aside – The accounts have not been amended as I consider that the amount actually set aside did meet the “prudent” requirement and the difference is also not considered to be a material misstatement to the accounts.

Supporting records

I have made available all relevant information and access to persons within the Authority for the purpose of your audit. I have properly reflected and recorded in the financial statements all the transactions undertaken by the Authority.

Irregularities

I acknowledge my responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud or error.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements;
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators or others; and
- the results of our assessment of the risk the financial statements may be materially misstated as a result of fraud.

Law, regulations, contractual arrangements and codes of practice

I have disclosed to you all known instances of non-compliance, or suspected non-compliance with laws, regulations and codes of practice, whose effects should be considered when preparing financial statements.

Transactions and events have been carried out in accordance with law, regulation or other authority. The Authority has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance.

All known actual or possible litigation and claims, whose effects should be considered when preparing the financial statements, have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

Accounting estimates including fair values

I confirm the reasonableness of the significant assumptions used in making the accounting estimates, including those measured at fair value.

Related party transactions

I confirm that I have disclosed the identity of the Authority's related parties and all the related party relationships and transactions of which I am aware. I have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the Code.

Contingent liabilities

I confirm that there are no contingent liabilities that have not been disclosed in the financial statements but should have been. In particular:

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
- no financial guarantees have been given to third parties.

Subsequent events

I have adjusted for or disclosed in the financial statements all relevant events subsequent to the date of the financial statements.

Signed on behalf of South Cambridgeshire District Council.

I confirm that this letter has been discussed and agreed by the Corporate Governance Committee of South Cambridgeshire District Council on 28 September 2012.

Signed:

Alex Colyer
Executive Director Corporate Services

September 2012

Appendix 5 – Glossary

Annual Audit Letter

Letter issued by the auditor to the Authority after the completion of the audit that summarises the audit work carried out in the period and significant issues arising from auditors' work.

Annual Governance Report

The auditor's report on matters arising from the audit of the financial statements presented to those charged with governance before the auditor issues their opinion [and conclusion].

Annual Governance Statement

The annual report on the Authority's systems of internal control that supports the achievement of the Authority's policies aims and objectives.

Audit of the accounts

The audit of the accounts of an audited body comprises all work carried out by an auditor under the Code to meet their statutory responsibilities under the Audit Commission Act 1998.

Audited body

A body to which the Audit Commission is responsible for appointing the external auditor.

Auditing Practices Board (APB)

The body responsible in the UK for issuing auditing standards, ethical standards and associated guidance to auditors. Its objectives are to establish high standards of auditing that meet the developing needs of users of financial information and to ensure public confidence in the auditing process.

Auditing standards

Pronouncements of the APB that contain basic principles and essential procedures with which auditors must comply, except where otherwise stated in the auditing standard concerned.

Auditor(s)

Auditors appointed by the Audit Commission.

Code (the)

The Code of Audit Practice for local government bodies issued by the Audit Commission and approved by Parliament.

Commission (the)

The Audit Commission for Local Authorities and the National Health Service in England.

Ethical Standards

Pronouncements of the APB that contain basic principles relating to independence, integrity and objectivity that apply to the conduct of audits and with which auditors must comply, except where otherwise stated in the standard concerned.

Financial statements

The annual statement of accounts that the Authority is required to prepare, which report the financial performance and financial position of the Authority in accordance with the Accounts and Audit (England) Regulations 2011 and the Code of Practice on Local Authority Accounting in the United Kingdom.

Group accounts

Consolidated financial statements of an Authority and its subsidiaries, associates and jointly controlled entities.

Internal control

The whole system of controls, financial and otherwise, that the Authority establishes to provide reasonable assurance of effective and efficient operations, internal financial control and compliance with laws and regulations.

Materiality

The APB defines this concept as ‘an expression of the relative significance or importance of a particular matter in the context of the financial statements as a whole. A matter is material if its omission would reasonably influence the decisions of an addressee of the auditor’s report; likewise a misstatement is material if it would have a similar influence. Materiality may also be considered in the context of any individual primary statement within the financial statements or of individual items included in them. Materiality is not capable of general mathematical definition, as it has both qualitative and quantitative aspects’.

The term ‘materiality’ applies only to the financial statements. Auditors appointed by the Commission have responsibilities and duties under statute, as well as their responsibility to give an opinion on the financial statements, which do not necessarily affect their opinion on the financial statements.

Significance

The concept of ‘significance’ applies to these wider responsibilities and auditors adopt a level of significance that may differ from the materiality level applied to their audit of the financial statements. Significance has both qualitative and quantitative aspects.

Those charged with governance

Those entrusted with the supervision, control and direction of the Authority. This term includes the members of the Authority and its Audit Committee.

Whole of Government Accounts

A project leading to a set of consolidated accounts for the entire UK public sector on commercial accounting principles. The Authority must submit a consolidation pack to the department for Communities and Local Government which is based on, but separate from, its financial statements.

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0844 798 7070

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The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors, members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
- any third party.

