



Committee and Date

West Mercia Energy Joint  
Committee

25<sup>th</sup> September 2017

Item

7

Public

## EXTERNAL AUDIT – AUDIT FINDINGS REPORT 2016/17

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### 1. Summary

- 1.1 Grant Thornton, the Joint Committee's external auditors, have completed their audit work regarding the financial statements of the Joint Committee for the year ended 31<sup>st</sup> March 2017 and this report enables them to present their audit findings to the Joint Committee.

### 2. Recommendations

- 2.1 The Joint Committee are asked to consider and endorse, with appropriate comment, the contents of the audit findings report presented by Grant Thornton.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2 There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3 Grant Thornton's audit work was conducted in accordance with the International Standard on Auditing (UK & Ireland) 260, the Local Audit and Accountability Act 2014 and the National Audit Office Code of Audit Practice.

### 4. Financial Implications

- 4.1 There are no direct financial implications arising from this report.

## 5. Background

- 5.1 At the Joint Committee of 28 September 2015, it was highlighted that from 1<sup>st</sup> April 2015 implementation of the Local Audit and Accountability Act 2014 meant that joint committees are no longer required to have their accounts separately prepared and audited. At this Joint Committee it was agreed to continue with an annual external audit in order to provide the Joint Committee with the necessary continued assurance regarding stewardship of funds.
- 5.2 Grant Thornton presented their audit plan for 2016/17 to the February Joint Committee which was considered and endorsed.
- 5.3 Grant Thornton conducted an interim audit visit in March and their main audit work within August in line with the audit plan. The key messages from the attached audit findings report are:
- No adjustments were identified affecting the Joint Committee's reported financial position.
  - There are no significant issues to bring to the attention of the Joint Committee as those charged with governance.
  - Anticipate an unqualified opinion of the WME financial statements.

### List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Joint Committee 27<sup>th</sup> February 2017 – External Audit, Audit Plan 2015/16

Joint Committee 28<sup>th</sup> September 2015 – Local Audit and Accountability Act

### Member

Councillor P Price of Herefordshire Council (chair of the Joint Committee)

### Appendices

Appendix 1 - Grant Thornton, The Audit Findings for West Mercia Energy Year Ended 31 March 2017