

FALKIRK COUNCIL

**Subject: REPORT TO THOSE CHARGED WITH GOVERNANCE ON THE
CENTRAL SCOTLAND JOINT FIRE & RESCUE BOARD 2012/13 AUDIT
Meeting: AUDIT COMMITTEE
Date: 23 September 2013
Author: CHIEF FINANCE OFFICER**

1. INTRODUCTION

- 1.1 International Standard on Accounting 260 (ISA 260) “Communication of audit matters to those charged with governance” requires auditors to communicate matters relating to the audit of the financial statements, to those charged with governance of a body, in sufficient time to enable action. Audit Scotland’s report for 2012/13 which also comprises the annual report on the 2012/13 audit is attached for information.
- 1.2 With the dissolution of the Central Scotland Joint Fire & Rescue Board with effect from 31 March 2013, residual accounting and reporting obligations were transferred to Falkirk Council, hence the reason this report is being brought before the Audit Committee.

2. FINDINGS

- 2.1 Whilst the accounts have been adjusted for mis-statements and other minor presentational and typographical changes, only one item has not been amended relating to non-accrual of holiday pay amounting to £3k. This is immaterial to the accounts as a whole and I propose that no adjustment is made for this sum. This view is supported by the External Auditor.
- 2.2 The unaudited accounts were issued on 28 June 2013 and the audited accounts were authorised for issue on 23 September 2013, both dates in compliance with legislative requirements. Key issues arising from the audit are noted below:
 - The External Auditor’s anticipated report is unqualified
 - The Board’s arrangements for the prevention and detection of fraud were satisfactory
 - The Working Papers provided by Finance Staff were of a high standard and the staff provided good support to the audit team
 - Following agreed audit adjustments, Net Assets and Reserves increased by £78k.
 - No material weaknesses in the accounting and internal control systems were identified during the audit and sound governance arrangements were in place
 - Notable improvements were made in relation to most statutory performance indicators for the year

3. CONCLUSION

- 3.1 The issue of the External Auditor’s report formally concludes the 2012/13 audit process.

4. RECOMMENDATIONS

4.1 Members are invited to note the External Auditor's report.

Chief Finance Officer

Date: 21 August 2013

Contact Officer: John Flannigan

LIST OF BACKGROUND PAPERS

NIL