

# Charter Trustees for the City of Durham

28 October 2015

## Conclusion of Audit for the year ended 31 March 2015



City of Durham

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### Report of Jeff Garfoot, Treasurer

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#### Introduction

- 1 BDO LLP (the external auditor of the Charter Trust) has completed their audit of the annual return for the financial year ending 31 March 2015. They require their audit opinion and findings to be presented to a meeting of Charter Trustees in order to minute the approval of the final, audited annual return.
- 2 A copy of the annual return, which includes the auditor's certificate and opinion (page 4), is attached as Appendix B.

#### Audit Findings

- 3 The Issues Arising Report (attached as Appendix C) raised only one item for the attention of Charter Trustees which is:
  - Risk assessment not minuted during the year

Although a risk assessment was undertaken during 2014/15 and the auditor deemed it to be adequate, the meeting to minute this review took place on 1 April 2015, which the auditor states was too late for the 2014/15 financial year. They report that this is in breach of regulation 4 of the Accounts and Audit Regulations 2011.
- 4 This issue has resulted in the annual return for 2014/15 being qualified.

#### Action Required

- 5 The following action is required in order to satisfy the external auditor in future:

- Risk Assessment

A risk assessment must be carried out and the review minuted as evidenced at least once per year.

Following a report presented by the Clerk to the Charter Trustees at the meeting on 18 June 2014, it had already been agreed that a risk assessment be placed on the agenda each year. The review must be minuted in each future year and in doing so, will ensure this will not be raised as an audit issue in future.

## **Recommendations**

6 It is recommended that Charter Trustees:

- approve the audited annual return for 2014/15;
- agree to review a risk assessment of internal controls and report this review annually at future meetings before the end of each financial year.

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## **Risks and Implications**

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### **Finance**

The report provides the conclusion of BDO's audit of the annual report for 2014/15.

### **Staffing**

None

### **Equality and Diversity**

None

### **Accommodation**

None

### **Crime and Disorder**

None

### **Human Rights**

None

### **Consultation**

None

### **Procurement**

None

### **Disability Discrimination Act**

None

### **Legal Implications**

None

**Attach pdf – audited annual return**

**Appendix B**

**Attach pdf – Issues Arising Report from BDO**

**Appendix C**