

**AUDIT AND GOVERNANCE COMMITTEE**

**26 September 2014**

**JOINT COMMITTEE FOR THE NORTH OF ENGLAND OPEN AIR MUSEUM -  
AUDITED ANNUAL RETURN AND ACCOUNTS 2013/2014**

**Report of the Head of Financial Resources**

**1 PURPOSE OF REPORT**

- 1.1 To report the communications received from the External Auditors concerning the financial statements of the Joint Committee for 2013/2014.
- 1.2 To provide the Audited Statement of Accounts and Annual Return for 2013/2014 for approval by Members.

**2 DESCRIPTION OF THE DECISION**

- 2.1 Members are recommended to:
  - Note that at the time of writing this report the External Auditor BDO LLP (Chartered Accountants) has indicated that they intend to issue an unqualified audited Annual Return (Appendix 1) and;
  - Approve, as Lead Authority, the unadjusted and audited Statement of Accounts for the financial year ended 31<sup>st</sup> March 2014 (Appendix 2). It is anticipated from feedback received from the External Auditor to date that there will be no adjustments to the Statement of Accounts.

**3 INTRODUCTION**

- 3.1 Smaller relevant bodies in England must complete an annual return summarising their annual activities at the completion of each financial year in accordance with the Accounts and Audit Regulations 2011. Members are responsible for ensuring that financial management is adequate and effective and that the body has a sound system of internal control.
- 3.2 A smaller relevant body includes Joint Committees which have gross income or gross expenditure levels below £6.5 million for the financial year in question (i.e. 2013/2014) as well as either of the two immediately preceding years (i.e. 2011/2012 and 2012/2013). This regime applies to the Joint Committee.
- 3.3 The Audit Commission was replaced by BDO LLP (Chartered Accountants) from 1<sup>st</sup> April 2010, as the Joint Committee's external auditors, and they are required to report on the final accounts by 30<sup>th</sup> September of each year. It's anticipated that the Joint Committee will receive an unqualified audit report

and the signed audited Annual Return will either be sent separately or be tabled at the meeting as Appendix 1.

#### **4. KEY MESSAGES**

4.1 It is expected that the Auditor's communication (Smaller Bodies in England Annual Return for the year ended 31st March 2014 will show in summary:

- The External Auditor has issued an unqualified audit opinion (see section 3 of the Smaller Bodies Annual Return)
- There were no changes required to the Statement of Accounts and Annual Return presented for audit
- There were no misstatements identified in the Statement of Accounts and Annual Return
- The External Auditor has not identified any issues in relation to the qualitative aspects of the Joint Committee's accounting practices and financial reporting
- The External Auditor did not identify any other matters that should be brought to the attention of Members