



City of Westminster

# Audit and Performance Committee Report

**Meeting:** Audit and Performance Committee

**Date:** 26th November 2014

**Classification:** General Release

**Title:** Annual Audit Letter 2013/14 from external auditors KPMG

**Wards Affected:** All

**Financial Summary:** N/A

**Report of:** Steven Mair, City Treasurer and Section 151 Officer.

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## **Executive Summary**

1. The Council's external auditors KPMG have issued their Annual Audit Letter in which they report to the Committee their key findings from their audit of the Council's financial statements (Council & Pension Fund) for the year ended 31<sup>st</sup> March 2014.
2. During the audit cycle KPMG issued status reports to the Committee on their findings. The ISA 260 report which was issued to the Committee on the 30<sup>th</sup> June 2014 included both an unqualified opinion and an unqualified value for money conclusion. The Annual Audit Letter is consistent with what has been previously reported i.e. no new issues are brought to the attention of the Committee.
3. In relation to the Council's financial statements, the Audit Letter reports:
  - a. An unqualified value for money conclusion;
  - b. An unqualified opinion on the Council's financial statements;

- c. That the audit did identify a small number of material adjustments;
  - d. Four recommendations already reported in the ISA 260 report, management has instigated actions on these recommendations;
  - e. That KPMG have reviewed the Annual Governance Statement and concluded that it is consistent with their understanding;
  - f. There are no recommendations relating to the Pension Fund;
  - g. That the Whole of Government Accounts Pack prepared by the Council is consistent with the audited financial statements.
4. As the auditors are still considering two objections raised by members of the public they have not yet been able to issue a certificate closing the audits from 2008/9 onwards. Senior Officers of the Council are actively working with KPMG to bring these objections to a conclusion over the next few months.
  5. Following on from the national changes made by the Audit Committee, the planned audit fee for 2013/14 was £245,025, in line with the 2012/13 fee. The actual fee is £30,597 more than the planned fee due to additional auditor time required.

## **2. Recommendations**

1. That the Committee consider the Annual Audit Letter 2013/14.
2. That the status of the objections is noted.

## **3. Reasons for Decision**

No decision is required.

## **4. Background, including Policy Context**

1. The final, audited statement of accounts of the Council and the Pension Fund for the year ended 31<sup>st</sup> March 2014 were previously presented to the 30<sup>th</sup> June 2014 meeting for the Committee's consideration.

## **5. Financial Implications**

There are no direct financial obligations arising from this report.

## **6. Legal Implications**

None

**If you have any queries about this Report or wish to inspect any of the  
Background Papers please contact:**

*Jane Cika at [jcika@westminster.gov.uk](mailto:jcika@westminster.gov.uk) or 0207 641 2279*

## **BACKGROUND PAPERS**

1. Annual Audit Letter 2013/14, City of Westminster Council.