

REPORT TO: TAYSIDE VALUATION JOINT BOARD – 22 AUGUST 2016

REPORT ON: RESPONSE TO EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT ON THE 2015/16 AUDIT.

REPORT BY: TREASURER

REPORT NO: TVJB 14-2016

1 PURPOSE OF REPORT

This report is a response to the report prepared by the Board's External Auditor on the audit of Tayside Valuation Joint Board for the year ended 31 March 2016. A copy of the External Auditor's report and the Board's Audited Statement of Accounts are included on the agenda as separate items.

2 RECOMMENDATIONS

It is recommended that the Board:-

- i endorses this report as the formal response to the External Auditor's report;
- ii notes that the External Auditor's findings and conclusions are favourable;

3 FINANCIAL IMPLICATIONS

None.

4 MAIN TEXT

Introduction

- 4.1 The external audit of the Board for the financial year 2015/2016 was carried out by Mr Andrew Shaw, Director, KPMG LLP. The Joint Board's External Auditors are appointed for a five year period and the financial year 2015/2016 marked the fifth year of KPMG's appointment.

External Auditor's Report

- 4.2 The External Auditor's report outlines his main responsibilities as auditor and describes the scope of audit work undertaken during 2015/2016, and the issues arising from that work.
- 4.3 In addition to the Members of the Board, the External Auditor's Report is addressed to the Controller of Audit at the Accounts Commission for Scotland. Given this wider audience, and the extent of the External Auditor's responsibilities and scope of work, his report is by necessity both fulsome and extensive.

A copy of the report is included on the agenda as a separate item. Accordingly, it is not the intention of this report to provide a detailed response or commentary on all of the External Auditor's findings.

Conclusions

4.4 During 2015/2016, the External Auditor examined a number of areas covering a wide range of the Board's activities. It is pleasing to note that the auditor's overall findings and conclusions are satisfactory. In particular, the Board can take encouragement from the following:

- an unqualified audit opinion will be issued on the truth and fairness of the Joint Board's affairs as at 31st March 2016
- the unaudited financial statements were submitted for audit in advance of the statutory requirements and the agreed audit timetable
- good quality supporting documentation was made available in electronic format to support the unaudited financial statements
- there were no audit adjustments required to the unaudited financial statements which impacted on the net assets or the surplus or deficit for the year
- the Board's corporate governance arrangements provide a sound framework for organisational decision-making
- the Board's Best Value and performance management arrangements are generally robust.

5 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues identified.

6 **CONSULTATIONS**

The Assessor and Clerk to the Joint Board have been consulted on the content of this report.

7 **BACKGROUND PAPERS**

KPMG - Annual audit report to the members of Tayside Valuation Joint Board and the Controller of Audit - Year ended 31 March 2015 (August 2015).

MARJORY M STEWART
TREASURER

11 AUGUST 2016