

REPORT TO: TAYSIDE VALUATION JOINT BOARD – 26 AUGUST 2013

REPORT ON: RESPONSE TO EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT ON THE
2012/13 AUDIT.

REPORT BY: TREASURER

REPORT NO: TVJB 20-2013

ITEM No: _____

5 (b)

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 2013. 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 2012/2013 was carried out by Mr Stephen Reid, Director, KPMG LLP. The Joint Board's External Auditors are appointed for a five year period and the financial year 2012/2013 marked the second 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 2012/2013, and the issues arising from that work.
- 4.3 In addition to the Members of the Board, the External Auditor's Report is also 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 2012/2013, 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 was issued on the truth and fairness of the Joint Board's affairs as at 31st March 2013
 - 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
 - over-arching and supporting corporate governance arrangements provide a sound framework for organisational decision-making
 - a self-assessment review of the effectiveness of its governance arrangements undertaken by the Joint Board indicated a high level of compliance
 - arrangements in place in respect of maintaining standards of conduct and the prevention and detection of fraud and corruption are appropriate for the Joint Board's circumstances.

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 2013 (August 2013).

MARJORY M STEWART
TREASURER

15 AUGUST 2013