

**ITEM: 09/096**  
**Doc: 7**

**Meeting:** Trust Board  
**Date:** 17<sup>th</sup> June 2009

**Title:** **Report from the Audit Committee on the Audited Annual Accounts for the year ended 31<sup>st</sup> March 2009**

**Executive Summary:** The Audit Committee met on 9<sup>th</sup> June 2009 and was attended by Anna Meyrick (chair), Robert Aitken and Maria Duggan. The main item under discussion was the Annual Accounts for the financial year 2008-09 and associated documentation. The Audit Committee had delegated authority to approve the Annual Accounts on behalf of the Board and authorise their submission to the Department of Health by 12<sup>th</sup> June 2009.

Before considering the financial statements in detail, the committee received the Annual Governance reports from the District Auditor. In presenting his report, the District Auditor congratulated the Director of Finance and his team on the timely production of a credible set of accounts, their conduct during the audit and the quality of working papers. The relative brevity of the report reflected the low number of issues identified. The report registered the intention of issuing an audit report with an unqualified opinion on the financial statements and an unqualified value for money conclusion. The District Auditor advised the committee that he would be recommending an overall ALE score of 4 (excellent) reflecting substantial evidence of good practice in the finance department.

The Audit Committee;

- Considered the matters raised in the report
- Took note of the adjustments set out in the report
- Agreed to adjust the errors in the financial statements identified by the auditor or set out the reasons for not amending
- Approved the draft letter of representation
- Agreed the response to the proposed action plan

The Audit Committee then considered the financial statements and the Finance Director's commentary. The committee resolved to approve the accounts on behalf of the Trust Board.

The Committee also received the final version of the Statement on Internal Control which forms part of the Annual Accounts. This had been amended to incorporate comments from the external auditor. An additional disclosure relating to payroll input documentation was included in the section on gaps in control. As the trust did not achieve its target relating to MRSA bacteraemia, infection control was added to the section on significant control issues. These amendments were approved.

The Annual Accounts documentation will be published on the trust's website.

All other matters discussed at the Audit Committee will be included in the report to the Trust Board following its meeting on 2<sup>nd</sup> July.

**Action:** The Board is asked to ratify the decisions made by the Audit Committee on its behalf.

**Report from:** Susan Sorensen  
Corporate Secretary

**Sponsor:** Anna Merrick  
Chairman of the Audit Committee

**Compliance with statute, directions, policy, guidance**

Lead: All directors

**Reference:**

Audit Committee handbook  
NHS compliance regime

**Compliance with Auditors' Local Evaluation standards (ALE)**

Lead: Director of Finance

**Reference:**

Internal control domain  
Financial reporting domain