



Trust Board Meeting in Public		23 July 2013	
TITLE of PAPER		Audit Committee Report	PAPER REF 7.3
PURPOSE OF THE PAPER		To inform the Trust Board regarding the activities of the Audit Committee and provide assurance	
For Approval		<input type="checkbox"/>	For Assurance X
For Decision		<input type="checkbox"/>	Discussion/Information X
AUTHOR / LEAD	Barrie Senior, Chairman of the Audit Committee	ACCOUNTABLE EXECUTIVE DIRECTOR	Rod Barnes, Executive Director of Finance & Performance
PREVIOUSLY CONSIDERED BY		Audit Committee members	
RECOMMENDATION		The Trust Board derives adequate assurance regarding the activities of the Audit Committee.	
RISK ASSESSMENT		Yes	No
Corporate Risk Register and/or Board Assurance Framework amended <i>If 'Yes' – expand in Section 4. / attached paper</i>		<input type="checkbox"/>	X
Resource Implications (Financial, Workforce, other - specify) <i>If 'Yes' – expand in Section 2. / attached paper</i>		<input type="checkbox"/>	X
Legal implications/Regulatory requirements <i>If 'Yes' – expand in Section 2. / attached paper</i>		<input type="checkbox"/>	X
Quality and Diversity Implications <i>If 'Yes' – please attach to the back of this paper</i>		<input type="checkbox"/>	X
ASSURANCE/COMPLIANCE			
Care Quality Commission Registration Outcome(s)		N/a	
NHSLA Risk Management Standards for Ambulance Trusts		N/a	

1. PURPOSE/AIM

- 1.1 The aim of this paper is to provide the Trust Board with an update on the activities of the Audit Committee since the Trust Board Meeting in Public on 21 May 2013, and to provide assurance that the Committee is complying with its purpose as set out in its terms of reference.

2. BACKGROUND/CONTEXT

- 2.1 Since 21 May 2013 the Audit Committee has met on 4 June 2013, in accordance with the Committee's annual workplan.

The Committee will meet on 16 July, again in accordance with its annual workplan, after the deadline for the submission of papers to the 23 July Trust Board Meeting. Consequently a verbal update regarding the 16 July Audit Committee meeting will be provided to the July Trust Board Meeting, with a formal report being submitted to the 24 September Trust Board Meeting.

At the 4 June meeting the draft minutes of the Audit Committee meeting held on 18 April 2013 were accepted as a true record of that meeting. The key matters arising in the April 2013 Audit Committee meeting were reported to the 21 May 2013 Trust Board meeting.

- 2.2 This report:

- presents the approved minutes of the 18 April 2013 Audit Committee meeting, attached as an appendix
- summarises the key matters arising during the 4 June Audit Committee meeting (the draft minutes of which will be considered by the Audit Committee at its next meeting on 16 July).

- 2.3 Key matters arising at the 4 June 2013 Audit Committee meeting.

- The Committee received an update on and assurance regarding the on-going maintenance of the Board Assurance Framework.
- The Chairman of the Charitable Funds Committee provided an update regarding the activities of that Committee, including the recent receipt of training regarding charity accounts.
- The Chairman of the Quality Committee provided updated assurance to the Audit Committee regarding the effective management of quality risks, pointing out a now further enhanced focus on risk management and assurance.
- The Chairman of the Finance & Investment Committee provided updated assurance to the Audit Committee regarding the effective management of financial risks, also highlighting the now enhanced focus on risk management and assurance.
- The Executive Director of Finance & Performance, as part of the scheduled cycle of Executive Director assurance reporting to the Audit Committee,

provided an update and assurance regarding relevant matters in his directorate, including:

- The current detailed tracking of expenditure being incurred in addressing A&E and PTS delivery challenges.
- Involvement in contract discussions regarding financial issues relating to 111.
- Director responsibility for PTS transferring to the Executive Director of Finance & Performance, to improve the focus on operational delivery and commercial viability.
- The need for continued efforts to achieve consistently stringent and effective control over CIP delivery throughout the Trust.
- The Committee received and accepted the Internal Audit Annual Report and Head of Internal Audit Opinion in respect of 2012/13, recognising both the substantial assurance and the control improvement recommendations provided by Internal Audit activity during the year.
- The Committee received, accepted and approved the Schedule of Losses and Special Payments for 2012/13.
- Regarding the Trust's Annual Accounts, Quality Accounts, Annual Governance Statement and Annual Report 2012/13:
 - The Committee was satisfied that no post-balance sheet events had occurred which warranted an adjustment to the Accounts.
 - The Committee reviewed and accepted the assessment that the Trust could reasonably expect to remain a going concern for the foreseeable future.
 - The Committee considered and accepted the Letter of Representation prepared by the Executive Director of Finance & Performance for delivery to the External Auditors.
 - The Committee received the draft Final Report on the Financial Statement Audit for the year ended 31 March 2013 prepared by the External Auditors, noting the need for minor updates prior to the formal signing of the Accounts.
 - Following review and discussion, the Committee was sufficiently assured as to the accuracy and completeness of the 2012/13 Annual Accounts and the related financial returns so as to be able to recommend their approval by the Trust Board, subject to the completion of minor outstanding tasks.
 - The Committee reviewed and discussed the draft 2012/13 Quality Accounts and agreed that they could be recommended for approval by the Trust Board. The External Auditors reported favourably upon their 'dry run' review of the Quality Accounts, undertaken at management's request

in preparation for formal audits of the Quality Accounts once YAS is a Foundation Trust.

- The Chief Executive provided commentary and explanation regarding the draft Annual Governance Statement 2012/13 and responded to questions posed by members of the Committee. The Committee accepted the Statement, subject to minor amendments, with a view to recommending its endorsement by the Trust Board.
- The Committee received, considered and discussed the draft Annual Report 2012/13 and recommended its delivery to the Trust Board for its endorsement, subject to minor amendments.
- Internal Audit provided a brief progress report, recognising that the main purpose of the June Audit Committee meeting is to deal with year end accounting and reporting matters and that more time would be allocated to Internal Audit at the July meeting.

3. PROPOSALS/NEXT STEPS

- 3.1 Proposals and next steps are as above, and as are embedded in the draft minutes of, and the updated Action Log emanating from, the 4 June Audit Committee meeting.

4. RISK ASSESSMENT

- 4.1 Not applicable

5. RECOMMENDATIONS

It is recommended that the Board:

- Notes the content of this report and the appendix,
- Receives a verbal report regarding the 16 July Audit Committee meeting, and
- Derives adequate assurance regarding the activities of the Audit Committee and the assurance that it provides.

6. APPENDICES/BACKGROUND INFORMATION

One appendix is attached to this report:

- Approved minutes of the Audit Committee meeting held on 18 April 2013

Barrie A Senior FCA
Chairman – Audit Committee
14 July 2013