

Corporate Governance and Standards Committee Report

Ward(s) affected: All

Report of the Chief Finance Officer

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Annual Audit Letter 2016-17

Executive Summary

The external audit for 2016-17 is complete and the independent auditor has now issued their Annual Audit Letter. The letter is attached at Appendix 1. The Annual Audit Letter includes findings and recommendations that were raised in the Audit Findings Report, which was presented to Corporate Governance and Standards Committee on 21 September 2017.

The Annual Audit Letter will be referred to the Executive on 2 January 2018 for formal approval.

Recommendation to Committee

That the Annual Audit Letter for 2016-17 be commended to the Executive for approval.

Reason for Recommendation:

To approve the Annual Audit Report

1. Purpose of Report

1.1 The report will introduce the Annual Audit Letter received from Grant Thornton, our external auditors

2. Strategic Priorities

2.1 Good financial management underpins all that the Council does and helps to achieve the priorities set down in the Corporate Plan.

3. Background

3.1 **Appendix 1** attached is the Annual Audit Letter from Grant Thornton. Within the letter, they refer to the Audit Findings Report that the Corporate Governance and Standards Committee considered on 21 September 2017.

- 3.2 The Annual Audit Letter summarises the key findings arising from:
- (a) auditing the 2016-17 accounts and Whole of Government Accounts return
 - (b) assessing the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources
 - (c) certification of grants claims and returns.
- 3.3 The Council received an unqualified opinion on the accounts and its arrangements for securing economy, efficiency and effectiveness and an assurance statement on the Whole of Government Accounts.
- 3.4 The auditors are still working on the housing benefit grant claim and will report the findings of the audit to the Committee, in their annual certification letter later in the year.

4 Equality and Diversity Implications

- 4.1 There are no equality and diversity implications arising from this report.

5. Financial Implications

- 5.1 There are no financial implications arising as a result of this report.

6. Legal Implications

- 6.1 The International Standard on Auditing (UK and Ireland) 260 requires the external auditor to report any issues arising from the audit of the Financial Statements to those charged within governance. In the Council's case, this is the Corporate Governance and Standards Committee.

7. Human Resource Implications

- 7.1 There are no human resource implications arising as a result of this report

8. Conclusion

- 8.1 The Council received an unqualified opinion on its accounts for 2016-17 and its arrangements for securing economy, efficiency and effectiveness. We also received an assurance statement on our Whole of Government Accounts submission

9. Background Papers

None

10. Appendices

Appendix 1: Grant Thornton: Annual Audit Letter Year ended 31 March 2017