

**REPORT OF: FINANCIAL SERVICES MANAGER**

**TO: EXECUTIVE**

**DATES: 17<sup>th</sup> NOVEMBER, 2016**

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## **ANNUAL AUDIT LETTER 2015/16**

### **INTRODUCTION**

1. The purpose of this report is to present Grant Thornton's Annual Audit Letter for 2015/16 which we received in October.

### **RECOMMENDATION**

2. It is recommended that the Executive accept the Annual Audit Letter for 2015/16 as presented at [Appendix A](#).

### **REASON FOR RECOMMENDATION**

3. To consider and accept the Annual Audit Letter for 2015/16 from Grant Thornton.

### **ISSUE**

#### **Annual Audit Letter**

4. Each year, the Council's External Auditor submits a report to the Council providing an overall summary of the work it has undertaken on the audit of the Council. The Annual Audit Letter for 2015/16 is provided at [Appendix A](#). A representative from Grant Thornton will be in attendance at the meeting to present the Letter.
5. The Executive Summary set out on pages 3 and 4 outlines the purpose of the letter together with the main findings resulting from the areas of audit work undertaken in respect of 2015/16. The audit comprised two elements - the audit of the financial statements including the Audit Opinion and the Auditor's assessment of the Council's arrangements for value for money in its use of resources.
6. In relation to the financial statements, an unqualified opinion was issued. In its value for money conclusion, Grant Thornton stated that the Council had put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31 March 2016.

7. The Executive is asked to note the positive comments from External Audit on page 4 of the letter on the good work undertaken to produce the accounts earlier than in previous years as well as the quality of the accounts. The challenge is to maintain and where possible build on these achievements given the requirement from 2017/18 for the accounts to be prepared by end of May with the audit completed by the end of July annually (currently 30<sup>th</sup> June and 30<sup>th</sup> September respectively).
8. Arrangements have been confirmed with Grant Thornton for their interim work in support of the accounts for 2016/17 and this work will commence in December. The outcomes from this work will be reported to the Accounts and Audit Committee as the committee charged with governance at the Council.

### **Policy**

9. There are no policy implications arising from the contents of this report.

### **Financial**

10. There are no financial implications arising from the contents of this report. For information, the audit fee payable for 2015/16 was £48,616.

### **Legal**

11. There are no legal implications arising from the contents of this report.

### **Risk Management**

12. There are no risk management issues arising directly from the contents of this report.

### **Health and Safety:**

13. There are no health and safety implications arising directly from the contents of this report.

### **Sustainability:**

14. There are no sustainability implications arising directly from this report.

### **Community Safety:**

15. There are no community safety issues arising directly from the contents of this report.

### **Equality and Diversity:**

16. There are no equality and diversity issues arising from the contents of this report.

## **APPENDICES**

[Appendix A](#) – Annual Audit Letter 2015/16