

REPORT OF: FINANCIAL SERVICES MANAGER

TO: EXECUTIVE

DATE: 19th OCTOBER 2017

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ANNUAL AUDIT LETTER 2016/17

INTRODUCTION

1. The purpose of this report is to present Grant Thornton's Annual Audit Letter for 2016/17.

RECOMMENDATIONS

2. It is recommended that the Executive accepts the Annual Audit Letter for 2016/17 as presented at [Appendix A](#).

REASONS FOR RECOMMENDATION

3. To consider and accept the Annual Audit Letter for 2016/17 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 and its financial statements. The Annual Audit Letter for 2016/17 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 page 3 outlines the purpose of the letter together with the main findings resulting from the areas of audit work undertaken in respect of 2016/17. 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 2017.

7. The Executive is asked to note the positive comments from External Audit on page 3 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 and related working papers. The challenge is to sustain 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 30th June and 30th September respectively).
8. Grant Thornton will commence their interim work in support of the accounts for 2017/18 later this year. 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 content of this report. For information, the final audit fee payable to Grant Thornton for 2016/17 is estimated at £51,010. This comprises £40,630 for the main audit and £10,380 for the grant certification work on the Housing Benefit Subsidy claim.

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 2016/17.