

AGENDA NO:

REPORT TO CABINET

**REPORT OF THE CORPORATE
MANAGEMENT TEAM**

15 JANUARY 2015

CABINET DECISION

ANNUAL AUDIT LETTER 2013/14

Corporate Management and Finance – Lead Cabinet Member – Councillor Harrington

1. Summary

To present to Members of the Cabinet, the Annual Audit Letter for 2013/14.

2. Recommendation

That Members note the contents of the letter.

3. Reasons for the Recommendation/Decision

The external auditor, Mazars LLP, is required to present its findings to the Council's Cabinet Committee.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code)

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SUMMARY

To present to Members of the Cabinet, the Annual Audit Letter for 2013/14.

RECOMMENDATION

That Members note the contents of the letter.

BACKGROUND

1. Members will recall that in 2012 the Audit Commission appointed Mazars LLP to act as external auditors to the Council.
2. A formal stage in the annual audit process is the production of the "Annual Audit Letter". The Annual Audit Letter for 2013/14 has now been received and is attached as an Appendix to this report.
3. The Annual Audit Letter summarises the auditor's findings from the 2013/14 audit. In line with previous practice, a copy of the Annual Audit Letter will be sent to all Members of the Council. Mazars LLP are required to submit the Annual Audit Letter to the Audit Commission and it will appear on the Commission's website in due course.

DETAIL

4. Mazars LLP has issued an unqualified audit opinion on the Council's financial statements for 2013/14 and no material amendments were required.
5. Mazars LLP has issued an unqualified value for money conclusion stating that it is satisfied that "the Council has maintained proper arrangements for securing value for money in its use of resources during the year".
6. The report goes on to say that "the Council continues to have a strong approach in considering a range of options, regularly updating and agreeing its plans well ahead of the relevant financial year".

FINANCIAL AND LEGAL IMPLICATIONS

7. None directly. The Letter demonstrates that the Council continues to maintain sound financial systems.

CONSULTATION INCLUDING WARD/COUNCILLORS

8. The report presents the Annual Audit Letter for Members' consideration. A copy will be sent to all Members of the Council.

RISK ASSESSMENT

9. The letter does not present any risks. It comments on the Council's overall governance arrangements which are performing well.

EQUALITIES IMPACT ASSESSMENT

10. An Equality Impact Assessment is not required as this report presents the external auditor's view of the Council.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

11. Not applicable.

Contact Officer:

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Background Papers:

Reports from Mazars LLP provided to the Audit Committee in 2014:

External Audit - Progress Report	February 2014
External Audit - Certificate of Claims and Returns	February 2014
External Audit - Protecting the Public Purse Fraud Briefing	February 2014
Audit Strategy Memorandum	June 2014
External Audit - Progress Report	June 2014
External Audit - Certificate of Claims and Returns	June 2014
External Audit - Progress Report	September 2014
Audit Completion Report	September 2014
External Audit - Progress Report	December 2014
Annual Audit Letter	December 2014

Property:

No implications in relation to Council property.