

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....14th December 2017

1. Title of Item/Report

Annual Audit Letter 2016/17

2. Record of the Decision

Consideration was given to a report on the Annual Audit Letter 2016/17.

In 2012 the Audit Commission appointed Mazars LLP to act as external auditors to the Council. Following the abolition of the Audit Commission, audit appointments were made by Public Sector Audit Appointments Limited.

A formal stage in the annual audit process was the production of the "Annual Audit Letter". The Annual Audit Letter for 2016/17 had been received and was attached to the report. Mark Kirkham (Mazars LLP) was in attendance at the meeting and detailed the contents of the Annual Audit Letter for 2016/17.

The Annual Audit Letter summarised the auditor's findings from the 2016/17 audit. In line with previous practice, a copy of the Annual Audit Letter would be sent to all Members of the Council. Mazars LLP were required to submit the Annual Audit Letter to Public Sector Audit Appointments Limited and it would appear on their website in due course.

Mazars LLP had issued an unqualified audit opinion on the Council's financial statements for 2016/17 and in their opinion they;

- gave a true and fair view of the financial position of Stockton-on-Tees Borough Council as at 31 March 2017 and of its expenditure and income for the year then ended; and
- had been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

Mazars LLP had issued an unqualified value for money conclusion stating that it was satisfied that "the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use

of resources”.

The report recognised that the Council faced future challenges but went on to say that "the Council manages its finances carefully to balance service needs and available resources in the short and medium term. The Council’s most recent MTFP recognises the ongoing financial constraints and the need to continue to review services to identify cost efficiencies.”

Mazars LLP were required to report on the “Whole of Government Accounts” return completed by the Council. Their report stated that the return “was consistent with the audited financial statements”.

The Code of Audit Practice required Mazars to consider whether information published alongside the financial statements was consistent with those statements and their knowledge and understanding of the Council. In their opinion, the information in the Narrative Report was consistent with the audited financial statements.

RESOLVED that the contents of the Annual Audit Letter 2016/17 be noted.

3. Reasons for the Decision

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

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight, 22 December 2017

Proper Officer

18 December 2017