

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting27th September 2018

1. Title of Item/Report

Annual Audit Letter

2. Record of the Decision

Consideration was given to a report on the Annual Audit Letter for 2017/18.

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 2017/18 had been received and was attached to the report.

The Annual Audit Letter summarised the auditor's findings from the 2017/18 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 2017/18 and in their opinion they:-

- give a true and fair view of the financial position of Stockton-on-Tees Borough Council as at 31 March 2018 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2017/18.

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

of resources”.

The report set out a Forward Look in which future financial and operational challenges, many of them national, were highlighted. It highlighted that “The Council is well aware of the financial challenges it is facing in the future. The MTFP has been refreshed and updated for known pressures, events and assumptions as part of the 2018/19 budget setting process” and “The Council remains well placed to face these challenges and officers continue to keep the overall position under close review.”

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 other information in the Statement of Accounts was consistent with the audited financial statements.

RESOLVED that the contents of the letter 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, 5 October 2018

Proper Officer
01 February 2018