


<b>Report to:</b>	Strategy and Resources Committee	<b>Date:</b>	29 October 2018
<b>Report title:</b>	Annual Audit Letter 2017/18		
<b>Report from:</b>	Gerald Almeroth, Strategic Director - Resources		
<b>Ward/Areas affected:</b>	Borough Wide		
<b>Chair of Committee/Lead Member:</b>	Councillor Ruth Dombey / Councillor Sunita Gordon, Lead Member for Finance		
<b>Author(s)/Contact Number(s):</b>	Michael Mackie, Head of Finance Operations and Residents Support, 020 8770 5375		
<b>Corporate Plan Priorities:</b>	<ul style="list-style-type: none"> <li>• Making Informed Choices</li> </ul>		
<b>Open/Exempt:</b>	Open		
<b>Signed:</b>		<b>Date:</b>	03 October 2018

## 1. Summary

- 1.1 The Annual Audit Letter for 2017/18 formally reports the outcome of the external audit of the Council's financial statements for the year and the auditor's opinion on the Council's arrangements to secure value for money. The auditor gave an unqualified opinion on the financial statements, including the pension fund statements, and concluded that the Council had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources.

## 2. Recommendations

The Strategy and Resources Committee is recommended to:

- 2.1 Note the external auditor's unqualified opinion on the Council's financial statements for the 2017/18 year and the auditor's conclusion that the Council had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources

## 3. Background

- 3.1 The Council's external auditor, Grant Thornton, examines the Council's financial statements to assess whether they:



- give a true and fair view of the financial position of the Council and its spending and income for the year; and
- have been prepared properly, following the relevant accounting standards.

3.2 The auditor is also required to give an opinion on whether the Council has proper arrangements for securing value for money.

3.3 The results of the audit are formally reported to the Council in the Annual Audit Letter. The Annual Audit Letter for 2017/18 is at Appendix A. The letter will be made available on the Council's website. The letter will be considered by the Audit and Governance Committee on 18 October 2018.

#### **4. Issues**

4.1 The auditor has given an unqualified opinion on the Council's financial statements. The auditor's Audit Findings Report, which was considered by the Audit and Governance Committee on 26 July 2018, recorded no material or non-trivial errors in the draft accounts and did not identify any adjustments for the final accounts. No recommendations were made by the auditor in respect of the main accounts.

4.2 The auditor's Audit Findings Report in relation to the Pension Fund was also reported to the Audit and Governance Committee on 26 July 2018. No adjustments for material or non-trivial misstatements were made to the draft accounts. No recommendations were made by the auditor in respect of the Pension Fund.

4.3 The auditor has also given an unqualified conclusion in respect of the Council's arrangements for securing value for money.

4.4 Appendix A to the Annual Audit Letter provides details of the auditor's fees. The total fee of £105,590 to General Fund which can be accommodated within available budgets.

#### **5. Impacts and Implications**

##### Financial

5.1 These are covered in the report.

##### Legal

5.2 There are no legal implications arising from this report.

## 6. Appendices and Background Documents

Appendix Letter	Title
A	Annual Audit Letter 2017-18

Background Documents
None

Audit Trail		
Version	final	Date: 18 October 2018
Consultation with other officers		
Officer	Comments Sought	Comments checked by
Finance	Yes	Michael Mackie
Legal	No	N/A
Equality Impact Assessment required?	No	N/A

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