

23 November 2017		ITEM: 5
Standards and Audit Committee		
Thurrock Annual Audit Letter 2016/17		
Wards and communities affected: All		Key Decision: Key
Report of: Sean Clark, Director of Finance and IT		
Accountable Assistant Director: N/A		
Accountable Director: Sean Clark, Director of Finance and IT		
This report is Public		

Executive Summary

The external auditors are responsible for:

- Forming an opinion on the Financial Statements;
- Reviewing the Annual Governance Statement;
- Forming a conclusion on the arrangements that the Authority has in place to secure economy, efficiency and effectiveness in its use of resources; and
- Undertaking any other work specified by the Audit Commission.

The Annual Audit Letter summarises this work and is appended to this report.

1. Recommendation(s)

- 1.1 That the Standards and Audit Committee consider the comments of our external auditors as set out in the attached report and note their findings.**

2. Introduction and Background

- 2.1** The main message is the auditors issued an unqualified audit opinion on the 2016/17 financial statements and an unqualified value for money conclusion.
- 2.2** The findings from the financial statement audit in relation to the significant risk areas identified in the audit plan are set out. The Council positively addressed these risks as noted in the report and these were considered by the Committee in September 2017 as part of the Audit Results Report.

2.3 The financial statements produced were to a high standard and supported by relevant supporting records. Officers worked hard to support the audit process and resolve queries quickly and effectively.

2.4 In arriving at their value for money conclusion the auditors confirmed the Council has arrangements in place to address the identified risk in relation to deploying resources in a sustainable manner.

3. Issues, Options and Analysis of Options

3.1 The report continues the positive work from the previous year and officers continue to work to maintain the high standard of the financial accounts.

3.2 The Council is working to meet the significant financial challenges caused by ongoing reductions in funding and continue to monitor the position through the Medium Term Financial Strategy.

4. Reasons for Recommendation

4.1 For the committee to note the findings of the external auditors.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 The Annual Audit Letter summarises the reports that have previously been communicated to Members of the Standards and Audit Committee.

6. Impact on corporate policies, priorities, performance and community impact

6.1 There are no implications arising from the Annual Audit Letter.

7. Implications

7.1 Financial

Implications verified by: **Sean Clark**
Director of Finance and IT

The financial implications are noted in the body of the report.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law and Governance

The Council is required to publish the Annual Audit Letter following consideration by members in accordance with paragraph 20 of the Accounts and Audit Regulations 2015.

7.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**
Community Development Officer

There are no specific diversity and equality implications arising from this report.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

There are no specific implications from this report.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- There are various working papers within accountancy.

9. **Appendices to the report**

- Appendix 1 – The Annual Audit Letter

Report Author:

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Director of Finance and IT
Corporate Finance