Title: Annual Audit Letter 2015/16

Report of the Chief Operating Officer

Open Report

For information

Wards Affected: All

Key Decision: No

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Summary:

This report summarises the key findings from the 2015/16 external audit of the Council, which covered the 2015/16 Financial Statements and Value for Money conclusion. An unqualified opinion was issued in respect of the accounts and KPMG were satisfied that the Council had satisfactory arrangements in place to secure value for money.

All the issues in the letter have been previously reported. The key recommendations are listed in appendix 1 of the report.

Recommendation

That the Select Committee notes the contents of this report.

Reason(s)

The Council’s vision and priorities are underpinned by the theme ‘a well-run organisation’ as set out in the corporate plan. The work of the external auditor provides an external review of the Council’s financial systems and arrangements for securing value for money.

1. Introduction and Background

1.1. Section 151 of the Local Government Act 1972 – England and Wales requires that every local authority should “make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs”.

1.2. This responsibility is extended by section 114 of the Local Government Finance Act 1988 – England and Wales which requires a report to all Members to be made by the Section 151 Officer, in consultation with the Council’s Monitoring Officer, if there is or likely to be unlawful expenditure or an unbalanced budget.
1.3. For the purposes of the provision of assurance by the Section 151 Officer, this report will cover the annual audit letter for the 2015-16 audit.

2. KPMG Annual Audit Letter 2015-16

The Annual Audit Letter summarises the outcome from KPMG’s audit work at the Council in relation to the 2015/16 audit year. Although it is addressed to Members of the Council, it is also intended to communicate key messages to key stakeholders, including members of the public, and is placed on the Council’s website.

An unqualified conclusion on the Council’s arrangements to secure value for money was issued. The same conclusion also applied on the Council’s financial statements.

3. Conclusion

3.1. The Committee is asked to note the unqualified conclusion of all returns for the year.

4. Financial implications

4.1. There are none.

5. Legal Implications

5.1. The financial administration of a local authority is set out in statute as mentioned in the main body of this report. The Annual Audit letter does not in itself identify any matters of specific legal concern.

Appendix
Appendix 1: KPMG Annual Audit Letter 2015-16