

North Tyneside Council Report to Audit Committee Date: 21 September 2016

ITEM 2015/16 Audit Completion Report
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Report from: Finance

Responsible Officer: Janice Gillespie, Head of Finance **Tel:** 643 5701

Wards affected: All

PART 1

1.1 Executive summary:

1.1.1 The purpose of this report is to present the Audit Completion Report which details the outcome of the external audit of our 2015/16 Financial Statements by Mazars.

1.1.2 The report will be presented by Mazars at this meeting.

1.2 Recommendation(s):

- (a) note the matters raised in the Audit Completion Report attached;
- (b) note the audit findings set out in Section 3 of the Audit Completion Report;
- (c) note the internal control recommendations and management responses set out in Section 4 of the Audit Completion Report;
- (d) note the adjustments (both unadjusted and adjusted) set out in Section 5 of the Audit Completion Report;
- (e) note the Value for Money conclusion set out in Section 6 of the Audit Completion Report; and,
- (f) note the draft Letter of Representation (Appendix A of the Audit Completion Report).

1.3 Forward plan:

1.3.1 This report is contained in the forward plan of the Audit Committee.

1.4 Council plan, policy framework:

1.4.1 The Audit Completion Report covers all financial aspects of the Authority's Plans.

1.5 Information

1.5.1 The report presented by Mazars provides an overall conclusion of their findings during the audit of the 2015/16 Annual Financial Report, including a value for money conclusion. The full report is attached.

1.5.2 The key messages are set out in the report and include:

- An unqualified audit opinion;
- The 2015/16 Annual Financial Report is free from material error;
- There is an adequate control environment; and,
 - Adequate arrangements are in place to secure value for money.

1.5.3 In terms of the Internal control recommendations these have been discussed in full with External Audit and the Senior leadership Team with agreed actions put in place to amend and strengthen those issues highlighted.

1.6 Decision options:

1.6.1 It is the responsibility of the Authority to ensure that proper arrangements are in place for the conduct of its business and that it safeguards and properly accounts for public money. The Audit Committee may agree with the response to the recommendations. Alternatively the Committee can propose further actions to be taken.

1.7 Reasons for recommended option:

1.7.1 To ensure that the Authority meets its obligations in the conduct of its business and safeguarding and properly accounting for public money.

1.8 Appendices:

Appendix A: Audit Completion Report 2015/16 (Mazars)

Appendix B: Annual Financial Report for 2015/16

1.9 Contact officers:

Janice Gillespie, Head of Finance, Tel 643 5701

Cathy Davison, Principal Accountant, Tel 643 5727

1.10 Background information:

The following background papers and research reports have been used in the compilation of this report and are available for inspection at the offices of the author:

- (a) [Revenue Budget 2015/16 \(P\)](#)
- (b) [Approved Investment Plan 2015-19 \(P\)](#)
- (c) CIPFA Code of Practice 2015/16 (P)
Can be inspected at the Authority's offices.
- (d) CIPFA Service Reporting Code of Practice 2015/16 (P)
Can be inspected at the Authority's offices.

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial implications arising from this report. As set out in the the Audit Completion report on page 12 the non-trivial mistatments are not considered to be material in respect of impacting on the reading of the financial statements and have no impact on the Council's underlying financial position.

2.2 Legal

There are no legal implications arising from this report.

2.3 Consultation/community engagement

Internal consultation has taken place with the Cabinet Member for Finance.

2.4 Human rights

There are no human rights implications arising from this report.

2.5 Equalities and diversity

There are no equalities and diversity implications arising from this report.

2.6 Risk management

There are no additional risk management issues arising from this report.

2.7 Crime and disorder

There are no crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no environment and sustainability implications arising from this report.