



Haringey Council

| | | | |
|------------------------------|---|---------------------|--|
| Report for: | Cabinet | Item Number: | |
| Title: | Annual Audit Letter 2013/14 | | |
| Report Authorised by: | Kevin Bartle, Assistant Director for Finance (CFO) | | |
| Lead Officer: | Neville Murton, Head of Finance Tel: 020 8489 3176 | | |
| Ward(s) affected: All | Report for Key/Non Key Decisions: Key Decision | | |

1. Issues Under Consideration

- 1.1. The Annual Audit Letter is part of the formal process of external audit and provides an independent assessment of the Council's position in terms of progress in meeting its strategic objectives. It is intended to communicate key messages to the Council and external stakeholders, including members of the public.
- 1.2. The purpose of this report is to receive the Annual Audit Letter for 2013/14 from the Council's external auditors, Grant Thornton, and to note the issues raised.

2. Cabinet Member Introduction

- 2.1. Grant Thornton, our external auditors, signed-off the Council's Statement of Accounts 2013/14 within the statutory deadlines and without qualification. They specifically commented upon the significant improvements made by the Council in improving its financial statements since 2012.
- 2.2. Furthermore, the auditors have issued an unqualified Value for Money (VFM) conclusion confirming that the Council has continued to ensure proper



Haringey Council

arrangements are in place to secure economy, efficiency and effectiveness in the use of our resources.

- 2.3. Given the continuing financial challenges and on-going austerity facing the Council it is more important than ever that we are able to continue to demonstrate that our decision making processes are based on sound principles of delivering Value for Money services.

3. Recommendations

- 3.1. That Cabinet receive the Annual Audit Letter for 2013/14 and note its contents.

4. Alternative Options Considered

- 4.1. The nature of this report and recommendation is such that alternative options are not applicable.

5. Background Information

- 5.1. The Annual Audit Letter for 2013/14 is compiled by the Council's appointed external auditors Grant Thornton. It summarises the conclusions and any significant issues arising out of the audit work for the Council in the preceding year. It includes information from the audit of the Council's accounts, the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources and the certification of claims, returns and the Whole of Government Accounts.
- 5.2. In terms of the audit of the accounts for 2013/14 the auditors issued an unqualified opinion on the Council's financial statements on 29 September 2014, meeting the deadline set by the Department for Communities and Local Government. The auditors' opinion confirms that the financial statements give a true and fair view of the Council's financial position and of the income and expenditure recorded by the Council. The auditors have commented that the Council 'deserves a lot of credit for significantly improving its financial statements since 2012'.
- 5.3. The auditors' Value for Money (VFM) assessment concluded that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2014.
- 5.4. Audit work on the certification of grant claims and returns is ongoing. The outcome of this work will be formally reported to the Corporate Committee on 29 January 2015.
- 5.5. The auditors' findings have been reported previously to the Corporate Committee and actions agreed in response. The Corporate Committee is responsible for



Haringey Council

monitoring the implementation and progress of the actions, which are summarised in this report.

5.6. The Corporate Committee considered the Annual Audit Letter at its meeting on 25th November 2014. The Committee had no comments to make to the Cabinet.

6. Comments of the Chief Finance Officer and Financial Implications

6.1. I am pleased that the auditors have recognised the Council's progress in improving its financial statements which has been the result of a rigorous improvement programme. This improvement journey will continue.

6.2. The resource implications for implementing the actions recommended in the Annual Audit Letter are not significant and can be met from within existing resources.

7. Assistant Director of Corporate Governance and Legal Implications

7.1. The Assistant Director of Corporate Governance has been consulted on the content of this report and has no specific comment to make.

8. Equalities and Community Cohesion Comments

8.1. Not applicable

9. Head of Procurement Comments

9.1. Not applicable

10. Policy Implications

10.1. None

11. Reasons for Decision

11.1. To receive the annual audit letter in accordance with statutory requirements.

12. Appendices

12.1. Annual Audit Letter 2013/14 – Grant Thornton



Haringey Council

13. Local Government (Access to Information) Act 1985

13.1. The following background papers were used in the preparation of this report:

- Report of the Assistant Director Finance (CFO) to the Corporate Committee on 29 September 2014 – Statement of Accounts 2013/14 and Annual Governance Report.
- Annual Audit Letter from Grant Thornton to the Corporate Committee on 25 November 2014.