



AUDIT COMMITTEE

1 December 2015

REPORT

Subject Heading:

Annual Audit Letter

Report Author and contact details:

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Policy context:

Audit Committee responsible for
approving accounts.

Financial summary:

N/A

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for	<input type="checkbox"/>
People will be safe, in their homes and in the community	<input type="checkbox"/>
Residents will be proud to live in Havering	<input checked="" type="checkbox"/>

SUMMARY

Our external auditors PricewaterhouseCoopers have issued their annual audit letter to the committee summarising the results of their 2013/14 audit.

RECOMMENDATIONS

To note the contents of the letter and consider any issues raised by the external auditor.

REPORT DETAIL

1. The purpose of the letter is to provide a high level summary of the results of the 2014/15 audit. The letter is included at appendix A.
2. The letter includes the following:
 - PWC issued an unqualified audit opinion for the 2014/15 accounts on 30 September 2015. Their Report to Those Charged with Governance (ISA (UK&I) 260) was presented to the Audit Committee on 24 September 2015. The report included findings as detailed on pages 3 and 4 of the letter.
 - PWC will issue their Annual Certification Report for 2014/15 on the Certification of Claims and Returns in December 2015.
 - Other Matters Reported to Those Charged with Governance (pages 5 and 6 of the report) include recommendations relating to
 - Bank Reconciliations
 - Pension Fund - following up on National Fraud Initiative results on a timely basis
 - Financial Resilience

The first two matters have been addressed and Financial Resilience is being addressed as part of the Budget Strategy for reporting to Cabinet in February 2016.

IMPLICATIONS AND RISKS

Financial Implications and Risks:

There are no financial implications or risks arising directly from this report. There are no financial consequences arising from the outcome of the audit of accounts. The issues raised in the letter are consistent with the matters raised in their earlier "Report to those charged with Governance" (ISA260) and have been addressed as part of 2015/16 closure planning.

Legal Implications and risks:

There are no apparent legal implications in noting the content of the audit letter. The matters highlighted by the letter clearly identify areas of legal and financial risk but the management responses set out how these can be managed.

Human Resources Implications and risks:

None arising directly

Equalities and Social Inclusion Implications and risks:

None arising directly

BACKGROUND PAPERS

Working papers for the statement of accounts.

Appendix A

London Borough of Havering

Annual Audit Letter 2014/15