

**REPORT FOR: GOVERNANCE, AUDIT,  
RISK MANAGEMENT AND  
STANDARDS COMMITTEE**

---

**Date of Meeting:** 4 September 2018

**Subject:** INFORMATION REPORT  
Annual Audit Letter 2017/18

**Responsible Officer:** Dawn Calvert, Director of Finance

**Exempt:** No

**Wards affected:** All

**Enclosures:** Annual Audit Letter 2017/18

**Section 1 – Summary and Recommendations**

This report provides the Committee with an opportunity to consider the Annual Audit Letter from the Council's external auditors

**Recommendation**

The Committee is requested to note this report containing the Annual Audit Letter

**Reason**

The Accounts and Audit (England) Regulations 2015 requires the Committee to consider the Annual Audit Letter

## **Section 2 – Report**

### **Background**

- 1 The Council's External Auditors (KPMG LLP) have now completed the audit of the Statement of Accounts 2017/18. The appointed auditor writes to the Council on an annual basis through an Audit Letter summarising the important findings from their audit work.
- 2 The 2017/18 Annual Audit Letter is attached as an appendix to this report and covers the following matters:
  - The headlines – the Audit Opinion ; the Financial Statements audit ; the Pension Fund audit ; the Value For Money (VFM) conclusion and risk areas; other information accompanying the financial statements; Whole of Government Accounts (WGA); the certificate, and the audit fees
  - Appendix 1: Key issues and recommendations
  - Appendix 2 : Summary of reports issued
  - Appendix 3 : Audit fees
- 3 The key conclusions emerging from the Auditor's work were:
  - The Council received an unqualified audit opinion and value for money conclusion.
  - The auditors undertook a risk assessment as part of their VFM audit work to identify the key areas impacting on their VFM conclusion and considered the arrangements that this Authority had put in place to mitigate these risks. The auditors noted the existing budget gaps for the future years together with the assumptions and plans that are in place to ensure the Authority balances its budgets going forward.
  - There are no audit recommendations from the 2017/18 audit. All of the previous years recommendations were cleared by officers during the financial year and the auditors have no issues to report.

### **Financial Implications**

- 4 There are no direct financial implications arising from this report.

### **Risk Management Implications**

- 5 The risks of not implementing recommendations are not included in the corporate risk register. However the review of such recommendations is included as a separate task within the closure of accounts timetable for officers to ensure action has been taken. As stated earlier in this report there are no recommendations arising from the 2017/18 audit of the financial statements.

### **Equalities implications**

- 6 There are no equalities implications.

### **Council Priorities**

- 7 The Annual Audit Letter provides assurance that the Council has managed its finances and delivered value for money in accordance with Council's corporate vision and priorities.

### **Section 3 - Statutory Officer Clearance**

Name: Dawn Calvert



Chief Financial Officer

Date: 29 August 2018

**Ward Councillors notified:**

n/a

### **Section 4 - Contact Details and Background Papers**

**Contact: Paul Gower** (Interim Technical Accounting Manager) Tel: 020-8424-1335  
Email: paul.gower@harrow.gov.uk

**Background Papers:**

[http://www.harrow.gov.uk/download/downloads/id/11785/annual\\_audit\\_letter\\_2017-18.pdf](http://www.harrow.gov.uk/download/downloads/id/11785/annual_audit_letter_2017-18.pdf)