

# CHESHIRE EAST COUNCIL

## REPORT TO: CABINET

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**Date of Meeting:** 5<sup>th</sup> March 2012  
**Report of:** Director of Finance and Business Services  
**Subject/Title:** Annual Audit Letter 2010-11  
**Portfolio Holder:** Councillor Michael Jones

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### **1.0 Report Summary**

- 1.1 The report summarises the Audit Commission's findings from the 2010-11 audit. It comprises a summary of the Audit opinion on the Council's financial statements, assessment of the adequacy of its arrangements for securing value for money and outlines some of the future challenges facing the Council.

### **2.0 Recommendation**

- 2.1 That members receive and comment on the Annual Audit Letter for 2010-11.

### **3.0 Reasons for Recommendations**

- 3.1 The appointed auditors are required to report to those charged with governance.

### **4.0 Wards Affected**

- 4.1 Not applicable.

### **5.0 Local Ward Members**

- 5.1 Not applicable.

### **6.0 Policy Implications including – Carbon Reduction, Health**

- 6.1 None.

### **7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

- 7.1 As covered in the report.

### **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 None.

## **9.0 Risk Management**

- 9.1 The Annual Audit letter has been prepared to meet the requirements set out in the Statement of Responsibilities of Auditors.

## **10.0 Background and Options**

- 10.1 The Annual Audit Letter is attached as Appendix 1 to the report and sets out the findings from the Council's statutory audit for 2010-11. The detailed findings of the audit were reported to the Audit and Governance Committee on 29<sup>th</sup> September 2011 in the form of the Annual Governance Report. The Annual Audit Letter summarises the content from that report and includes additional details about the challenges going forward, it also includes details on the final level of audit fees.
- 10.2 The Audit Letter confirms the Council has received an unqualified opinion for its 2010-11 Accounts and that the audit had been completed within the required timescales. The recommendations on improvements to the process for 2011-12 are being addressed.
- 10.3 The Audit Letter also sets out the results of the Audit Commission's assessment of the Council's arrangements for securing value for money in its activities. The overall conclusion is that the Council has adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.
- 10.4 The Audit Commission will be attending the meeting to answer any questions raised by members on the Annual Audit Letter.

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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## **Appendix 1: Annual Audit Letter 2010-11**