



## Northern Ireland Audit Office

Our purpose ...

Promoting better use of public money, through independent professional scrutiny, underpinned by our commitment to:

- Integrity
- Equality
- Openness
- Innovation

To make a difference for the people of Northern Ireland.

The Local Government (Northern Ireland) Order 2005 provides that the Department of the Environment may, with the consent of the Comptroller and Auditor General, designate persons who are members of the Northern Ireland Audit Office as Local Government Auditors. Louise Mason, Assistant Auditor General, is the designated Local Government Auditor for all local government bodies in Northern Ireland.

For further information please contact:

Dorinnia Carville  
Director  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

Tel: 028 9025 1076

Email: [Dorinnia.Carville@niauditoffice.gsi.gov.uk](mailto:Dorinnia.Carville@niauditoffice.gsi.gov.uk)

## Coleraine Borough Council

### AUDIT OF 2014-2015 FINANCIAL STATEMENTS

#### REPORT TO THOSE CHARGED WITH GOVERNANCE

#### Contents

Executive Summary	1-2
Section 1 - Audit Risks	3-4
Section 2 - Audit Findings	5-7
Section 3 - Identified Misstatements	8-9
Section 4 - Other Matters of Governance Interest	10-12
Annex A – Letter of Representation	13-15
Annex B – Audit Report	16-17

## Executive Summary

---

### Introduction

1. This report summarises the key matters arising from our audit of the 2014-15 financial statements for the benefit of those charged with governance<sup>1</sup>. We would like to thank the Chief Financial Officer and the Head of Finance and their staff for their co-operation during the audit process.
2. The examination of the 2014-15 financial statements was undertaken in accordance with auditing standards issued by the Financial Reporting Council (FRC), taking into account Practice Note 10 (Revised); Audit of Financial statement in Public Sector Bodies in the United Kingdom and the Code of Audit Practice issued by the Chief Local Government Auditor. Our approach to the audit was planned and executed in accordance with the Audit Strategy presented to the Audit Committee in June 2015.
3. This report has been prepared for the sole use of Causeway Coast and Glens Borough Council concerning Coleraine Borough Council. Our prior consent should be sought before any distribution (including web publication) either in full or in part is made. The Northern Ireland Audit Office (NIAO) does not accept responsibility to any third party for losses arising from reliance being place on this report.
4. In accordance with regulation 6 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Council published its financial statements including the audit report by 31 October 2015.
5. After the conclusion of the audit the Council must place an advertisement stating, in line with regulation 12 Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, that the audit has been concluded and that the financial statements are publically available. A copy of the paper(s) incorporating this advertisement should be sent to our office within a week of the advertisement being made.

### Actions for those charged with governance

6. Those charged with governance are invited to review the findings set out in this report, including the letter of representation and audit report included in Annex A and Annex B respectively.

### Status of audit

7. Our audit fieldwork is now complete.

### Overall conclusion and opinion

8. The Local Government Auditor's audit opinion is set out in Annex B – Audit Report. The audit report includes an opinion as to the truth and fairness of the financial statements and that certain information given in the Explanatory Foreword is consistent with the financial statements.
9. The Local Government Auditor certified the 2014-15 financial statements on 27 October 2015 with an unqualified audit opinion, without modification.

### Audit judgements

10. We reviewed the adequacy of the landfill provision at 31 March 2015. As in the previous year, Coleraine Borough Council applied the discount rates used by the central government sector for short, medium and long term to calculate the present value of future cash flows in the landfill provision in accordance with IAS 37. The discount rates being -1.5%, -1.05% and 2.20% respectively. We are content that the Landfill Provision is Accurate.

### Audit findings

11. In Section 2 we outline the quality, effectiveness and transparency of Coleraine Borough Council's financial reporting and its accounting policy selection, and our audit findings including any issues identified relating to regularity and the internal control environment.
12. No issues arose concerning the quality, effectiveness and transparency of financial reporting and accounting.
13. We consider Coleraine Borough Council's accounting policies to be appropriate

---

<sup>1</sup> In accordance with ISA 260, those charged with governance are those individuals accountable for ensuring that the entity achieves its objectives, with regard to reliability of financial reporting, effectiveness and efficiency of operations, compliance with applicable laws, and reporting to interested parties.

## Executive Summary

---

14. No significant issues regarding regularity were found.
15. We did not identify any significant internal control weaknesses<sup>2</sup> other than those detailed in this Report.
16. The quality of the Governance Statement is appropriate.
17. Further issues of interest are set out in the Other Matters of Governance Interest section.

### Identified misstatements

18. In the course of the audit misstatements were identified which have been adjusted in the financial statements, as detailed in Identified Misstatements in Section 3. The net effect of these adjustments on the Comprehensive Income and Expenditure Statement (CIES) and Balance Sheet (BS) was £217,244.
19. Section 3 also details uncorrected misstatements which would increase expenditure and decrease net assets by a further £43,590. Management have not corrected these misstatements as they do not consider them material in the context of the financial misstatements as a whole.

---

<sup>2</sup> In accordance with ISA 265, it is the auditor's responsibility to communicate appropriately to those charged with governance and management, deficiencies in internal control identified in an audit of financial statements that, in the auditor's professional judgement, are of sufficient importance to merit their respective attentions.

## Section 1 Audit Risks

### Significant risks

- 1.1. In our Audit Strategy presented to the Audit Committee in June 2015, our assessment of Coleraine Borough Council's operations and control environment identified a number of significant risks. A significant risk is an identified and assessed risk of material misstatement that, in the auditor's judgement, requires special audit consideration.
- 1.2. The table below describes how we addressed these matters through our audit process.

### Significant risks of material misstatement

Risk 1: Landfill Provision
<p>The landfill provision was reviewed in 2014; an under provision was adjusted in the financial statements. The issue that came to light during last year's audit was:</p> <p>An undeveloped cell 6 was not removed from the Council's capacity calculations. By not including cell 6, this affected when the after care costs were to be incurred and also had an effect on capacity percentage utilised and the cash flow calculations. The same treatment should be applied to the 2014-15 as cell 6 is still not utilised. An adjustment was then made by the Council to amend this error.</p> <p>There is a risk that the provision will not be accurately reflected in the 2014-15 accounts.</p>
Audit Response
<p>A review of the landfill provision was undertaken, focusing on the basis of the provision and the relevant supporting documentation. Both prior year issues were discussed and any developments were considered in relation to the adequacy of the landfill provision.</p>
Outcome
<p>Coleraine Borough Council had initially recognised a closing landfill provision of £3,394,676 being the opening provision of £2,994,461 plus £400,215 which has been an increase during the year. In arriving at this closing figure the Council run a detailed set of calculations using an external professional estimate report of the costs of site restoration multiplied by the percentage capacity of the site used (to reflect damage incurred at the site to date). Last year the Council amended various assumptions used in the external consultants professional estimate report as they believe the forecasts for landfill capacity are now out of date in the report due to a number of factors.</p> <p>An updated consultants report was then issued in May 2015 to the Council which included up to date figures of remaining void space (capacity of the site not used). This report did not include updated cash flow workings which were included in the old report.</p> <ul style="list-style-type: none"> <li>• Client used the new consultants report to work out capacity and then used amended assumptions from old report to work out the landfill provision.</li> <li>• The reports include cash flows for an undeveloped Cell 6 – As this cell has not yet been developed and at this stage there is no certainty that it will be developed in the future no provision can be recognised under IAS 37. The costs relating to cell 6 have been removed from the cash flow figures used to calculate the provision in the accounts.</li> <li>• Landfill Capacity projections - The old report projected the landfill would be fully utilised by 2017 (excluding Cell 6) however an amended set of projections has been produced by the Council based on a number of factors. Last year it was estimated that the site be operational until 2025 however based on current year calculations the site is now likely to be operational until 2021. This is based on updated capacity workings from new report issued.</li> <li>• Discount Rate - In the current year the Council have used discount rates based on the Central Government sector for short, medium and long term, being -1.5%, -1.05% and 2.2% respectively .</li> <li>• Closure costs – Based on the report the first significant closure cost of £1,042,477 becomes payable when</li> </ul>

## Section 1 Audit Risks

the landfill capacity reaches approx. 92.5% full. This is assumed by Coleraine Borough Council to be the trigger point for this cash flow crystallising. The final closure costs of £595,701 are assumed to be triggered when capacity reaches 100%, again in line with the report. This year the Council has charged aftercare costs of £68k for 11 years then £83k for 49 years. This is based on the actual cash flow projections from the old report rather than the narrative detail, which has been used in previous years, which outlines aftercare cash flows of £68k for 15 years and £83k for 45 years.

We recalculated the provision, based on Coleraine Borough Council's detailed calculations and capacity forecasts, and noted an under provision of £106,158 due to Cell 6 not being adjusted by the Council for the remaining capacity life in years figures produced by the new consultants report. The new report stated that the remaining life based on recent figures should be 6.2 years, however when removing cell 6, the figure should be 4.85 which meant the site is likely to be operational until 2019 and not 2021. This then affects the discounted cash flow workings which results in a total provision of £3,500,834 and not £3,394,676. The difference of £106,158 was adjusted in the accounts – see audit adjustments table at paragraph 3.4.

### Recommendation

We recommend Causeway Coast and Glens Borough Council carefully re-examine the model used for calculating the landfill provision moving forward and ensure all key assumptions remain appropriate and adequate.

### Management Response

Accept the revision of 4.85 years and its implications for landfill provision.

### Target for Implementation

Each year end.

## Section 2

### Audit Findings

---

#### Financial Reporting and Accounting Policies

- 2.1 The Financial Statements are required to comply with the Code of Practice on Local Authority Accounting in accordance with the Accounts Direction issued by the Department of the Environment.
- 2.2 In this section we draw to your attention our review of qualitative aspects of the accounting practices and financial reporting. This includes any significant changes or issues in respect of the accounting policies; estimates; judgements and the adequacy of disclosures affected by unusual or non-recurring transactions recognised during the period. We also review the overall balance and clarity of information contained in the Explanatory Foreword.
- 2.3 Our audit did not produce any significant issues regarding the Council's quality, effectiveness and transparency of financial reporting and accounting.
- 2.4 We also note that:
- The accounting policy for recognising the defined benefit pension commitment (IAS 19) has been revised during the year and all other accounting policies have remained consistent with the prior year. We are content with the appropriateness of the accounting policies judged against the objectives of relevance, reliability, comparability and understandability.
  - No issue arose concerning the timing of transactions and the period in which they are recorded;
  - Our audit did not produce any substantive issues regarding the appropriateness of accounting estimates and judgements.
  - No material risks and exposures were identified that have had a significant effect on the financial statements.
  - No unusual transactions were identified that have had a significant effect on the financial statements.
  - No material misstatements were apparent in the other information in the document containing the audited financial statements or material inconsistencies between it and the audited financial statements.

#### Review of information in the Explanatory Foreword

- 2.5 We review information in the Explanatory Foreword only to the extent that we confirm it is consistent with the financial statements and our understanding of the business. Except as noted in the audit opinion, the Explanatory Foreword is not subject to our audit opinion.
- 2.6 The Explanatory Foreword was considered to be consistent with our understanding of the business, and was in line with the other information provided in the financial statements.

#### Internal Control

- 2.7 We have reviewed the Governance Statement and in our opinion, it fairly reflects our understanding of the state of internal control systems within the entity during the year and the changes made to the Governance Statement during the course of the audit.

#### Observations & Recommendations

- 2.8 This section outlines the findings arising from our audit, as well as management's response and target date for implementation to these recommendations.
- 2.9 We have included the significant, important and best practice findings arising from our audit which are defined as:
- Priority 1 – significant issues for the attention of senior management which may have the potential to result in material weakness in internal control.
  - Priority 2 – important issues to be addressed by management in their areas of responsibility.
  - Priority 3 – issues of a more minor nature which represent best practice.

## Section 2

### Audit Findings

Other issues of a more minor nature have been sent to the Head of Finance.

- 2.10 As outlined in our Audit Strategy our procedures included a review of the internal controls and accounting systems and procedures only to the extent considered necessary for the effective performance of the audit. Audit findings and observations therefore should not be regarded as representing a comprehensive statement of all the weaknesses which exist, or all improvements which could be made to the systems and procedures operated.

#### Issue

No.	Description	Priority
1	No authorisation for write off of debts from bad debt provision	2
2	VAT charged for invoice dated post year end	2

#### 1. No authorisation for write off of debts from bad debt provision

Observation
It was noted during the testing of the bad debt provision that there is information regarding the likelihood that the bad debts included in the provision would not be received. An amount of £225,922 has been written off in year that was provided for in the prior year but there was no documented authorisation to write off the debts from senior staff.
Implication
Senior staff potentially unaware of write offs made during the year.
Priority Rating
2
Recommendation
Ensure all appropriate authorisations are obtained for significant balances and are appropriately documented and that senior staff authorise in advance the journals made.
Management Response
Accept lack of authorised documentation.
Target for Implementation
To be confirmed CC&G Policy and Performance Division

## Section 2

### Audit Findings

#### 2. VAT charged for invoice dated post year end

Observation
<p>When reviewing debtors and creditors it was noted that an invoice dated 17 April 2015 was processed through Coleraine Borough Council's accounts for the year ended 31 March 2015. This should not have been included in Coleraine Borough Council year end financial statements as it related to an invoice for landfill tax that should have been issued by Causeway Coast and Glens Borough Council. The gross amount was originally posted to debtors and the net amount was then posted in creditors under receipts in advance with the VAT being posted to VAT control account. As part of our audit work it was advised that these balances should be reversed. However only the debtor and creditor amounts have been reversed with the VAT element of £33,535 remaining in short term debtors under the heading, 'other councils.'</p> <p>The Council believes that as the invoice was issued and accounted for in the books of Coleraine Borough Council incorrectly but included in its VAT return to 31 March 2015 reducing the refund due back from HMRC, it is more appropriate to show the £33,535 as an amount now due from Causeway Coast and Glens Borough Council rather than an adjustment to the VAT balance at 31 March 2015.</p>
Implication
VAT repayable balance is understated as at 31 March 2015.
Priority Rating
2
Recommendation
Ensure appropriate cut off procedures are in place and VAT is correctly accounted for and advised to HMRC.
Management Response
<p>Dispute audit findings in this regard – having processed invoice on behalf of Causeway Coast and Glens Borough Council (who effectively controlled Coleraine Borough Council) all necessary journals subsequently performed to remove its effects from books of Coleraine Borough Council. The VAT EXPENSE was effectively paid to HMRC by Coleraine Borough Council and as such that EXPENSE (whilst equating to the VAT element of the sales invoice) was recoverable from Causeway Coast and Glens Borough Council (in the same way as would any expense paid on their behalf). The VAT balance disclosed under debtors is the amount recoverable and subsequently recovered from HMRC and Causeway Coast and Glens Borough Council accept that they owe Coleraine Borough Council £33,535 so all parties to the transaction Coleraine Borough Council and both debtors would appear to confirm the balances as disclosed by Coleraine Borough Council.</p> <p><b>NIAO Comment</b></p> <p>Whilst we accept that the end effect is that the correct amount of VAT has been claimed/received, it should nevertheless be noted that this was a post year end invoice which should not have been included in Coleraine Borough Council's financial statements and would continue to recommend appropriate cut off procedures to prevent recurrence.</p>
Target for Implementation
One-off occurrence – Not Applicable.



## Section 2

### Audit Findings

---

- 2.12 In accordance with International Standards on Auditing we have to consider significant weaknesses identified in our prior year audit. There were no Priority 1 recommendations made in our prior year Report to those charged with Governance. The Audit Committee should continue to track progress on all recommendations, including Priority 2 and Priority 3 points.

## Section 3 Identified Misstatements

- 3.1 This section contains details of adjustments made to the financial statements during the course of the audit, as well as unadjusted misstatements which are not considered material in the context of the financial statements as a whole.
- 3.2 We do not consider that the adjusted or unadjusted misstatements indicate a significant weakness in accounting or control which needs to be reflected in the Governance Statement.

### Significant adjustments made to the financial statements

- 3.3 As a result of our audit, adjustments were made to the financial statements presented for audit. The adjustments are shown below. The presentation of this information enables those charged with governance to assess the extent to which the financial statements presented for audit have been subject to change as a result of the audit process.
- 3.4 The audit adjustments made to the initial financial statements presented for audit are noted in the table below. The net effect of the adjustments was to increase the Comprehensive Income and Expenditure Statement by £217,244 and decrease the Balance Sheet by £217,244.

### Audit adjustments<sup>3</sup>

Reason adjustment is required	Proposed by	Account area	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Debit	Credit	Debit	Credit
			£'000	£'000	£'000	£'000
Decrease in depreciation	NIAO	CIES		323		
		Fixed Assets			323	
Increase in landfill provision	NIAO	CIES	106			
		Provisions				106
Decrease in debtors-invoice dated post year end	NIAO	Debtors				168
		CIES	168			
Decrease in receipts in advance-invoice dated post year.	NIAO	Creditors			168	
		CIES		168		
<b>Overall Total</b>			<b>274</b>	<b>491</b>	<b>491</b>	<b>274</b>
<b>Net Effect</b>				<b>217</b>	<b>217</b>	

- 3.5 We have made no other suggestions regarding the disclosures required under the Code of Practice on Local Authority Accounting.

<sup>3</sup> Above the clearly trivial threshold of £20,400 defined in the Audit Strategy.

## Section 3 Identified Misstatements

### Unadjusted misstatements or uncertainties arising from the audit

3.6 We are obliged to bring to your attention the misstatements found during the course of the audit that have not been corrected, unless they are 'clearly trivial', which we have identified as below £20,400.

Description of adjustments	Account area	Comprehensive Income and Expenditure Statement		Balance Sheet	
		Debit	Credit	Debit	Credit
		£'000	£'000	£'000	£'000
Additional legal costs not accrued	Short Term Creditors				44
	CIES	44			
VAT suffered on invoice dated post year end	Other Councils			33	
	VAT				33
Overall Total		<b>44</b>		<b>33</b>	<b>77</b>
Net effect		<b>44</b>			<b>44</b>

## Section 4

### Other Matters of Governance Interest

---

- 4.1 International Standard on Auditing 260 requires us to communicate with those charged with governance any other audit matters of governance interest. These include matters which have come to our attention which may present future risks, enhance overall governance or where those charged with governance might wish to seek assurance on controls and processes.

#### Fraud

- 4.2 We are required by Auditing Standards to report to you if we identify a fraud or obtain information that indicates that a fraud may exist. We found no such instances during our testing.
- 4.3 In addition, we are not aware of material weaknesses in the design or implementation of internal controls to prevent and detect fraud.
- 4.4 In the course of our audit we have not identified any suspected or non-compliance with the laws and regulations.

#### Going concern

- 4.5 In the course of our audit, we have not identified any material uncertainties relating to events and conditions that may cast doubt on the entity's ability to continue as a going concern.

#### Management of personal data

- 4.6 Coleraine Borough Council was required to comply with the Data Protection Act 1998 in the handling and storage of personal data and those charged with governance should ensure they have made sufficient enquiries of management to form a view on whether there were any significant specific data incidents which should be disclosed in the Governance Statement. We are unaware of any data handling incidents during the year. Confirmation of this is sought within the letter of representation (Annex A).

#### Statement on personal data

- 4.7 During the course of our audit we have access to personal data to support our audit testing. We have established processes to hold this data securely within encrypted files and to destroy it where relevant at the conclusion of our audit. We can confirm that we have discharged those responsibilities communicated to you in accordance with the requirements of the Data Protection Act 1998.

#### Disagreements with management

- 4.8 There are no audit disagreements with management, about matters that individually or in aggregate could be significant to the financial statements to report.

#### Co-operation with other auditors

##### Internal Audit

- 4.9 We continue to liaise closely with Internal Audit and place reliance on their work where their objectives cover areas of joint interest.

#### Independence, integrity & objectivity of auditors

- 4.10 The NIAO's policy to ensure independence, integrity and objectivity of our auditors was set out in our Audit Strategy. Overall, the threat to the audit arising from issues affecting our independence, integrity and objectivity is low, and the safeguards in place ensure that the likelihood of any impact is low.
- 4.11 We have complied with FRC Ethical Standards and, in our professional judgement, we are independent and our objectivity is not compromised. There are no relationships between NIAO and Coleraine Borough Council that we consider to bear on our objectivity and independence.

#### Reliance on other experts

- 4.12 We have relied on the work of Aon Hewitt (actuarial experts) in respect of Coleraine Borough Council's obligation under the NILGOSC defined benefit pension schemes. We have relied on Land and Property Services in respect of providing indices for revaluation purposes of Property, Plant and

## Section 4

### Other Matters of Governance Interest

---

Equipment. We have also used RPS Consulting's revised cost report as an outline methodology for the landfill provision.

#### Other matters of interest

- 4.13 In October 2013, Coleraine Borough Council was convicted of 3 offences under the Health & Safety at Work (NI) Order 1978 following the death of a Council employee at one of Council's Civic Amenity Sites in 2011. The written judgement in the case made a number of recommendations which could result in an improved level of health and safety for persons in the employment of the Council and for those availing of services provided by Council.

Since October 2013 discussions have been ongoing with the Health and Safety Executive for Northern Ireland (HSENI) to consider the implications of the judgement in this case, not only in relation to Coleraine Borough Council but how the entire local government sector in Northern Ireland should respond.

In December 2013 Council tendered for an independent audit of the current health and safety management systems in place throughout the Council. This tendering exercise resulted in Willis Risk Management Consultancy being appointed. Willis is Council's current insurance broker and as such has extensive knowledge not only of Coleraine Borough Council, but the local government sector generally.

The Audit Report was constructed into a number of sections (Health & Safety Policy/ Organisation/ Planning/ Monitoring Performance/ Audit and Review) with each section further divided into a number of subsections. Each subsection had a series of recommendations prioritised into 3 categories:-

- Priority 1 – requires attention within 6 months
- Priority 2 – requires attention within 12 months
- Priority 3 – requires attention within 18 months

Priority 1 actions have been addressed. The Priority 2 and 3 recommendations are being further assessed and grouped into an action plan to ensure that each recommendation is fully implemented within the necessary timeframe.

The general thrust of the recommendations fell into 4 themes:-

1. Governance – a more strategic role for the Health and Safety Committee and the reporting of health and safety audits to the audit committee.
2. Roles and Responsibilities – a clear organisational strategy of making line managers responsible for health and safety within their teams and holding them to account. Council's health and safety advisor will take on a role akin to internal health and safety audit. There will be greater awareness at elected Member level of health and safety audits.
3. Resources – health and safety training for managers and employees should be ring fenced.
4. Corporate Risk – health and safety is to be regarded as a corporate risk.

Addressing these 4 themes will in turn deal with many of the recommendations made in the various sections of the audit. The remaining recommendations not catered for in this way will be managed as standalone issues. This audit and the recommendations made therein are part of the process of taking health and safety management in local government to a new level. Health and safety will be a corporate priority which will be driven by elected Members through the Audit Committee. Discussions with HSENI confirm this as their considered and preferred direction of travel for the local government sector and are keen for Coleraine Borough Council to drive and champion this new culture within the sector. As 11 new organisations are formed, it is important that health and safety is recognised as a key corporate priority. HSENI have already indicated that they are happy to assist and support all of the new Councils in developing and shaping their health and safety culture and corporate approach at the earliest possible opportunity.

## Section 4

### Other Matters of Governance Interest

---

In 2014-2015, Council's Corporate Health and Safety manager provided members of the Audit and Risk Committee with an update on progress. During the year, Council received three notices to attend industrial tribunals in relation to unfair dismissal claims. Council officers attended two full hearings and on both occasions, the claims of unfair dismissal were rejected by the Industrial Tribunal. The other claim was withdrawn by the Applicant. The outcomes are reflective of the robust policies and procedures in place within Council and the effective implementation by Council officers.

#### Complaints procedure

- 4.14 NIAO seeks to ensure that, when carrying out its audit work, it complies with the principles developed by the Public Audit Forum in its paper "What Public Sector Bodies can expect from their Auditors".

NIAO also wishes to gauge public sector bodies' perceptions of its audit processes in order to promote continuous improvement. In particular, it undertakes to act quickly on any complaint and ensure that the underlying causes of problems are addressed to prevent them recurring. In the first instance, complaints can be addressed to the member of the Directorate responsible for the audit within which the concern has been raised.

Failing resolution of the problem to the satisfaction of the complainant, the Chief Executive of the audited body can then write directly to the Comptroller and Auditor General. He will ensure that a further review of the case will be undertaken.

### [Causeway Coast and Glens Borough Council Letterhead]

The Local Government Auditor  
Northern Ireland Audit Office  
106 University Street  
BELFAST  
BT 7 1EU

#### LETTER OF REPRESENTATION: Coleraine Borough Council 31 March 2015

I acknowledge as Chief Financial Officer of Causeway Coast & Glens Borough Council I acknowledge my responsibility for discharging the functions of Coleraine Borough Council which include preparing accounts that give a true and fair view of the state of affairs, income and expenditure and cash flows of the Coleraine Borough Council for the year ended 31 March 2015.

In preparing the accounts, I was required to:

- observe the accounts direction issued by the Department of the Environment (DOE), including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis; and
- state whether applicable accounting standards have been followed and disclosed and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis on the presumption that the operations of Coleraine Borough Council will continue under the new amalgamated Causeway Coast & Glens Borough Council.

I confirm that for the financial year ended 31 March 2015:

- having considered and enquired as to Coleraine Borough Council's compliance with law and regulations, I am not aware of any actual or potential non-compliance that could have a material effect on the ability of Coleraine Borough Council to conduct its business or on the results and financial position disclosed in the accounts;
- all accounting records have been provided to you for the purpose of your audit and all transactions undertaken by Coleraine Borough Council have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management meetings which you have requested have been supplied to you; and
- all Related Parties and Related Party Transactions involving Councillors and senior staff of Coleraine Borough Council have been properly disclosed.

All material accounting policies as adopted are detailed in note 1 to the accounts.

#### INTERNAL CONTROL

I acknowledge as Chief Financial Officer my responsibility for the design and implementation of internal controls to prevent and detect error and I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated.

## Annex A – Letter of Representation

---

I confirm that I have reviewed the effectiveness of the system of internal control and that the disclosures I have made are in accordance with DOE guidance on the Governance Statement.

### FRAUD

I acknowledge as Chief Financial Officer my responsibility for the design and implementation of internal controls to prevent and detect fraud and I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated as a result of fraud.

I am not aware of any fraud or suspected fraud affecting Coleraine Borough Council and no allegations of fraud or suspected fraud affecting the financial statements has been communicated to me by employees, former employees, analysts, regulators or others.

### ASSETS

#### General

All assets included in the Balance Sheet were in existence at the reporting period date and owned by Coleraine Borough Council and free from any lien, encumbrance or charge, except as disclosed in the accounts. The Balance Sheet includes all long term assets owned by Coleraine Borough Council.

#### Long Term Assets

All assets over £3,000 are capitalised. They are revalued annually using indices from Land and Property Services. Depreciation is calculated to reduce the net book amount of each asset to its estimated residual value by the end of its estimated useful life in Coleraine Borough Council operations.

#### Current Assets

On realisation in the ordinary course of Coleraine Borough Council's operations the other current assets in the Balance Sheet are expected to produce at least the amounts at which they are stated. Adequate provision has been made against all amounts owing to Coleraine Borough Council which are known, or may be expected, to be irrecoverable.

### LIABILITIES

#### General

All liabilities have been recorded in the Balance Sheet. There were no significant losses in the year and no provisions for losses were required at the year end.

#### Provisions

Provision is made in the financial statements for:

- Landfill provision of £3,500,834 for the long-term closure and aftercare costs for Craighulliar Landfill Site.

Discount Rate- As in the prior year, Coleraine Borough Council has used the discount rates provided by HM Treasury of -1.5%, -1.05% and 2.2%, published in December 2014 for application on 31 March 2015. Management believe this is more applicable than the 3.5% rate included in the external report by RPS Consultants, dated 24<sup>th</sup> April 2012.

In determining appropriate discount rates and amounts to be provided, management have taken account of the landfill report provided by RPS consultants, as modified to reflect changing circumstances.



## Annex A – Letter of Representation

---

### Contingent Liabilities

There are a number of legal claims or potential claims against Coleraine Borough Council the outcome of which cannot at present be estimated with certainty. Full provision is made in the financial statements for all liabilities which are expected to materialise.

I am not aware of any pending litigation which may result in significant loss to Coleraine Borough Council and I am not aware of any action which is or may be brought against Coleraine Borough Council under the Insolvency (Northern Ireland) Order 1989 and the Insolvency (Northern Ireland) Order 2005.

### OTHER LIABILITIES

The pension liability at the year end is valued by Aon Hewitt (actuarial experts) in respect of Coleraine Borough Council's obligation under the NILGOSC defined benefit pension schemes.

### OTHER DISCLOSURES

#### Results

Except as disclosed in the accounts, the results for the year were not materially affected by transactions of a sort not usually undertaken by Coleraine Borough Council or circumstances of an exceptional or non-recurring nature.

#### Staff Severance Scheme

I confirm that no final offers with regards severance arrangements were made with any member of staff from the legacy council of Coleraine Borough Council prior to 31 March 2015, as such no provision has been included in the financial statements.

#### Unadjusted errors

The following unadjusted errors have been brought to my attention:

- Estimated Legal expenses of £43,590 not accrued.
- Classification error in relation to VAT suffered on post year end invoice of £33,535.

I consider the effect of these unadjusted errors to be immaterial, both individually and in aggregate, to the financial statements taken as a whole.

#### Data handling

I am unaware of any data handling incidents during the year.

#### Events after the Balance Sheet date

Except as disclosed in the accounts, there have been no material changes since the Balance Sheet date affecting liabilities and commitments, and no events or transactions have occurred which, though properly excluded from the accounts, are of such importance that they should have been brought to notice.

David Jackson

Causeway Coast & Glens Borough Council

Chief Finance Officer

20 October 2015

### **INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF CAUSEWAY COAST AND GLENS BOROUGH COUNCIL**

I have audited the financial statements of Coleraine Borough Council for the year ended 31 March 2015 under the Local Government (Northern Ireland) Order 2005. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement, and the related notes. The financial statements have been prepared under the accounting policies set out within them.

This report is made solely to the Members of Causeway Coast and Glens Borough Council in accordance with the Local Government (Northern Ireland) Order 2005 and for no other purpose, as specified in the Statement of Responsibilities. Under the transitional arrangements set out in the Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations Northern Ireland) 2014, the Causeway Coast and Glens Borough Council takes responsibility for the financial statements of the Coleraine Borough Council.

#### **Respective responsibilities of the Chief Financial Officer and the independent auditor**

As explained more fully in the Statement of Council’s and Chief Financial Officer’s Responsibilities, the Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year. My responsibility is to audit the financial statements in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Coleraine Borough Council’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Coleraine Borough Council; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Statement of Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

#### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15, of the financial position of Coleraine Borough Council as at 31 March 2015 and its income and expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 and the Department of the Environment directions issued thereunder.

#### **Opinion on other matters**

In my opinion the information given in the Explanatory Foreword for the financial year ended 31 March 2015 is consistent with the financial statements.

### Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- The Annual Governance Statement:
  - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15;
  - does not comply with proper practices specified by the Department of the Environment;
  - is misleading or inconsistent with other information I am aware of from my audit; or
- adequate accounting records have not been kept; or
- the statement of accounts is not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit.

### Certificate

I certify that I have completed the audit of accounts of Coleraine Borough Council in accordance with the requirements of the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice.

### Louise Mason

Local Government Auditor  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

27 October 2015



**Louise Mason** FCA  
Local Government Auditor

## Northern Ireland Audit Office

106 University Street  
Belfast  
BT7 1EU

Direct Line : (028) 9025 1048  
Fax : (028) 9025 1051  
E-mail : [louise.mason@niauditoffice.gov.uk](mailto:louise.mason@niauditoffice.gov.uk)  
webaddress : [www.niauditoffice.gov.uk](http://www.niauditoffice.gov.uk)

David Jackson  
Chief Financial Officer  
Causeway Coast and Glens Borough Council  
Cloonavin,  
66 Portstewart Road,  
Coleraine,  
BT52 1EY

2 December 2015

Dear Mr Jackson,

### **Annual Audit Letter – Coleraine Borough Council 2014-15**

Please find enclosed my Annual Audit Letter which I am required to issue under Regulation 13 of the Local Government (Accounts and Audit) Regulations 2006.

Regulation 13 requires a local government body to;

- (a) publish the letter; and
- (b) notify the Local Government Auditor of the date of publication.

I would be grateful if you would arrange to include this on the agenda of the next meeting of the Council's Governance and Audit Committee.

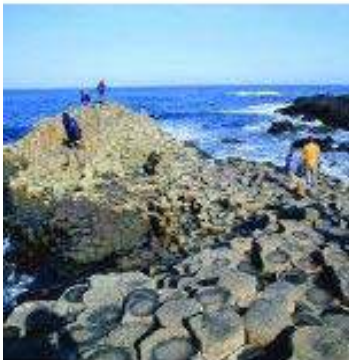
Under the Code of Practice I am required to ensure that all members receive a copy. I would be grateful if you could confirm, in due course, that each member has received a copy.

I would like to take this opportunity to thank you and your staff for the assistance and co-operation received throughout the audit.

Yours sincerely

**LOUISE MASON**  
Local Government Auditor

Issued by the Local Government Auditor



## Coleraine Borough Council 2014-15

To the Members of  
Causeway Coast and Glens Borough  
Council

**Louise Mason**  
Local Government Auditor  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

## Contents

1.	Introduction .....	3
	Local Government Reform .....	3
2.	Financial Statements .....	5
	Summary of Audit Findings .....	5
	Financial Performance.....	6
3.	Governance.....	8
	Annual Governance Statement .....	8
	Internal Audit.....	9
	Audit Committee .....	9
4.	Proper arrangements.....	10
5.	Other Audit Work .....	11
	Absenteeism .....	11
	Joint Committees.....	11
6.	Closing Remarks.....	12

## 1. Introduction

I have been designated the Local Government Auditor for Coleraine Borough Council by the Department of the Environment with the consent of the Comptroller and Auditor General for Northern Ireland.

As an auditor independent of the audited body, I seek to examine that the body has proper arrangements in place to secure economy, efficiency and effectiveness in the use of resources and that public money is properly accounted for.

This report provides a summary of the findings from my 2014-15 audit. The audited body no longer exists due to the implementation of Local Government Reform from 1 April 2015 so the report is issued to the Members of Causeway Coast and Glens Borough Council which is the relevant successor council.

### Local Government Reform

Under the Local Government Act (Northern Ireland) 2014 (The Act) the number of local councils in Northern Ireland reduced from twenty six to eleven on 1 April 2015. Coleraine Borough Council was amalgamated together with Moyle District Council, Ballymoney Borough Council and Limavady Borough Council into the Causeway Coast and Glens Borough Council.

The Act now forms the legislative framework for Northern Ireland's eleven councils. This includes how decisions are made, how positions of responsibility are shared across political parties, how improvements in the delivery of council functions can be achieved to reflect the needs of local communities, and how effectively and efficiently council services are delivered to people. It provides for statutory governance in councils and introduces a new ethical standards framework which includes a mandatory code of conduct for councillors.

Every aspect of the governance, management and provision of local government services has been impacted. The new councils have now taken the lead in community planning and are expected to deliver high quality services in an effective and efficient manner under a new performance improvement framework. Powers such as planning have transferred from central government to the new councils. The Act also sets out arrangements for the transfer of staff, assets and liabilities to the new councils.

The Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations (Northern Ireland) 2014 made transitional provision with respect to local government reorganisation including positions of responsibility within the new council for the winding up and final accounts of existing councils.

Causeway Coast and Glens Borough Council struck the 2015-16 rates and approved business and financial plans in advance of 1 April 2015. As Causeway Coast and Glens Borough Council was operational to a limited extent during the 'shadow' period, I am required to audit the accounts of this body for the 2014-15 period. This is the subject of a separate letter to the Audit Committee.

As well as additional audit work required in relation to the new councils operating in shadow form and the audit of statutory transition committees in the transitional year of 2014-15, the Act provides that I will undertake improvement audits and assessments each year for each of the new councils. These will specifically entail:

- undertaking improvement audits, to review whether councils have discharged their duties for publishing improvement planning and performance information;
- carrying out improvement assessments, to determine whether councils are likely to comply with legal requirements to make arrangements to secure continuous improvement in the exercise of their functions; and
- reporting on improvement audit and assessment work.

In preparation for this extra work I have been engaging with relevant external stakeholders. I have established a team to manage and develop a best practice audit approach and methodology which will enable my staff to carry out their work with independence, integrity and objectivity, in accordance with the key principles set out in my 'Code of Audit Practice'.



## 2. Financial Statements

### Summary of Audit Findings

#### Coleraine Borough Council

The accounts of Coleraine Borough Council must be prepared in accordance with International Financial Accounting Standards as interpreted for Local Government in the 'The Code of Practice on Local Authority Accounting in the United Kingdom'. This code sets out the accounting treatment and disclosures for all normal transactions of local authorities.

The financial statements were signed by the Chief Financial Officer of Causeway Coast and Glens Borough Council on 29<sup>th</sup> June 2015. This is within the statutory timeframe of 30<sup>th</sup> June. Following the audit, the accounts were re-signed on 14<sup>th</sup> October and published on the website of Causeway Coast and Glens Borough Council on 29<sup>st</sup> October 2015 in accordance with the regulations.

On 27 October 2015 I gave the following unqualified opinion on the financial statements for the year ended 31 March 2015

In my opinion

- the financial statements give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15, of the financial position of Coleraine Borough Council as at 31 March 2015 and its income and expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 and the Department of the Environment directions issued thereunder.

At the end of the audit I issued a Report to those charged with Governance, addressed to the Chief Executive of the Causeway Coast and Glens Borough Council, on the results of the audit, noting the most significant issues, making recommendations and seeking comments. That report is presented separately to your Audit Committee.

#### The Causeway Coast and Glens Statutory Transition Committee

The Causeway Coast and Glens Statutory Transition Committee (STC), consisting of 5 members from each of Ballymoney, Coleraine, Limavady and Moyle Councils, was formed through regulation<sup>1</sup> to ensure that the Causeway Coast and Glens Borough Council was able to adopt its full range of powers and functions from 1 April 2015. The STC was set up to gather information, consider and advise on matters relevant to moving to the new Council, to prepare a draft budget and to prepare a draft corporate and business plan. The other regulatory role of the STC was to appoint a clerk of the new Council, as well as any other staff it deemed appropriate. Under regulation the STC ceased to exist on 19 June 2014, following the election held in May 2014 to determine the Members of the new Council.

---

<sup>1</sup> The Local Government (Statutory Transition Committees) Regulations (Northern Ireland) 2013

The STC was a statutory local government body and I therefore had responsibility to audit its financial statements, in accordance with the Local Government (Northern Ireland) Order 2005 and the Local Government Code of Audit Practice. I gave an unqualified opinion on the 2014-15 financial statements of the Causeway Coast and Glens STC.

## Financial Performance

The Statement of Comprehensive Income and Expenditure of Coleraine Borough Council shows that during the year ended 31 March 2015 the Council spent £28.7m on the provision of services. It also received income of £29.7m.

The major items of expenditure were

- Recreation and sport £4.9 million ( 2013-14: £7.2 million)
- Waste Disposal £5.3 million ( 2013-14: £8.6 million); and
- Waste Collection £ 2.3 million (2013-14: £ 2.3 million).

The major areas of income were

- Rates £19.1 million (2013-14: £18.7 million
- Tourism £2.2 million (2013-14: £4.9 million);and
- Waste Disposal £1.9 million (2013-14: £3.4 million).

At 31 March 2015 Coleraine Borough Council had net non-current assets of £87.7 million. The majority of these non-current assets are in the Buildings category. Total loans outstanding (including overdraft) were £33.5 million.

At 31 March 2015 Coleraine Borough Council had usable reserves of £6,574,306 as set out in the table below.

Usable Reserve	£
General Fund	£3,945,422
Capital Receipts	£0
Sinking Fund	£2,628,884
Total	£6,574,306

Legislation<sup>2</sup> placed a duty on the Chief Financial Officer to make arrangements for the proper administration of Coleraine Borough Council's financial affairs, including the submission to the Council of a report on the adequacy of any proposed financial reserves. The Chartered Institute of Public Finance and Accountancy (CIPFA) and its Local Authority Accounting Panel (LAAP), which includes representatives from UK local authorities and audit institutions, provide guidance on finance and accounting issues relevant to councils. Specific guidance on financing capital expenditure and the establishment and maintenance of local authority reserves and balances is included in both the CIPFA Prudential Code<sup>3</sup> and a recent LAAP Bulletin<sup>4</sup>.

---

<sup>2</sup> The Local Government Finance Act (Northern Ireland) 2011

<sup>3</sup> The Prudential Code for Capital Finance in Local Authorities (2011 Edition)

<sup>4</sup> LAAP Bulletin 99 *Local Authority Reserves and Balances*, July 2014

### 3. Governance

The Good Governance Standard for Public Services<sup>5</sup> sets out the following key principles of good governance. Good governance means

- focusing on the organisation's purpose and on outcomes for citizens and service users;
- performing effectively in clearly defined functions and roles;
- promoting values for the whole organisation and demonstrating the values of good governance through behaviour;
- taking informed, transparent decisions and managing risk;
- developing the capacity and capability of the governing body to be effective; and
- engaging stakeholders and making accountability real.

#### Annual Governance Statement

Coleraine Borough Council is required to conduct a review at least once in a financial year of the effectiveness of its governance framework (including its system of internal control) and to then approve an Annual Governance Statement<sup>6</sup>.

I am required to report if the Annual Governance Statement

- does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2014-15;
- does not comply with proper practices specified by the Department of the Environment; or
- is misleading or inconsistent with other information I am aware of from my audit.

I have no inconsistencies to report as a result of my review.

The Council noted the following significant governance issues in its Governance Statement;

- In October 2013, Council was convicted of 3 offences under the Health & Safety at Work (NI) Order 1978 following the death of a council employee at one of the Council's Civic Amenity Sites in 2011. The written judgement in the case made a number of recommendations which would result in an improved level of health and safety for persons in employment of the council and for those availing of services provided by the council. Since October 2013 discussions have been ongoing with the Health and Safety Executive for Northern Ireland (HSENI) to consider the implications of the judgement in this case, not only in relation to Coleraine Borough Council but how the entire local government sector in Northern Ireland should respond.

---

<sup>5</sup> The Good Governance Standard for Public Services, OPM and CIPFA, 2004

<sup>6</sup> Local Government (Accounts and Audit) (Amendment) Regulations (NI) 2006 and DOE circular LG/04/08

In December 2013 Council tendered for an independent audit of the current health and safety management systems in place through the council. The Audit report was constructed in a number of sections (Health and Safety policy/organisation/planning/monitoring performance/audit and review) with each section further divided into a number of subsections. The general thrust of the recommendations falls into 4 themes:

1. Governance- a more strategic role for the health and safety committee and the reporting of health and safety audits to the audit committee.
2. Roles and responsibilities- a clear organisational strategy of making line managers responsible for health and safety within their teams and holding them to account. Council's health and safety advisor will take on a role akin to internal health and safety audit. There will be greater awareness at elected member level of health and safety audits.
3. Resources- Health and Safety training for managers and employees should be ring fenced.
4. Corporate risk- Health and Safety is to be regarded as a corporate risk.

Addressing these 4 themes will in turn deal with many of the recommendations made in the various sections of the audit. The remaining recommendations not catered for in this way will be managed as standalone issues.

- In 2014-15, Council received three notices to attend industrial tribunals in relation to unfair dismissal claims. Council officers attended two full hearings and on both occasions, the claims of unfair dismissal were rejected by the Industrial tribunal. The other claim was withdrawn by the applicant. These outcomes are reflective of the robust policies and procedures in place within Council and the effective implementation by Council officers.

## Internal Audit

The Local Government (Accounts and Audit) (Amendment) Regulations (NI) 2006 requires councils to maintain an adequate and effective system of internal audit and to conduct a review at least once in a financial year of the effectiveness of its system of internal audit. Coleraine Borough Council had an in-house Internal Audit Department. A review of the effectiveness of the system of internal control was carried out during 2014-15 by the Council and the findings of the review were considered by the Audit Committee.

## Audit Committee

It is essential that Members exercise effective scrutiny of the internal control processes and procedures in place within the Council. One way that Members carry out this function is through the Audit Committee. The Audit Committee of Coleraine Borough Council met 4 times in the year and the agenda items included

- NIAO audit reports;
- internal audit reports;
- risk register review; and
- other relevant business.

## 4. Proper arrangements

Legislation requires me to be satisfied that proper arrangements have been made for securing economy, efficiency and effectiveness in the use of resources<sup>7</sup>.

My review of Coleraine Borough Council's arrangements for securing value for money can cover the following ten areas which are referred to in my Code of Audit Practice.

- a) **Financial Planning.** Planning finances effectively to deliver strategic priorities and secure sound financial health.
- b) **Financial Performance.** Having a sound understanding of costs and performance and achieving efficiencies in activities.
- c) **Financial Reporting.** Reliable and timely financial reporting that meets the needs of internal users, stakeholders and local people.
- d) **Procurement.** Commissioning and procuring quality services and supplies that are tailored to local needs and deliver sustainable outcomes and value for money.
- e) **Data to support decision making and manage performance.** Producing relevant and reliable data and information to support decision making and manage performance.
- f) **Good governance.** Promoting and demonstrating the principles and values of good governance.
- g) **Risk.** Managing risks and maintaining a sound system of internal control.
- h) **Natural Resources.** Making effective use of natural resources.
- i) **Asset Management.** Managing assets effectively to help deliver strategic priorities and service needs.
- j) **Workforce Management.** Planning, organising and developing the workforce effectively to support the achievement of strategic priorities.

For 2014-15, I examined the areas of Financial Planning and Asset Management based on my risk assessment of the Council.

During audit testing in 2013-14, one issue was noted in that each member of the Senior Management Team reviews the quality of data contained within their own reports before submission to the council.

On the basis of my work I am satisfied that the Council had in place proper arrangements to ensure economy, efficiency and effectiveness in the use of resources.

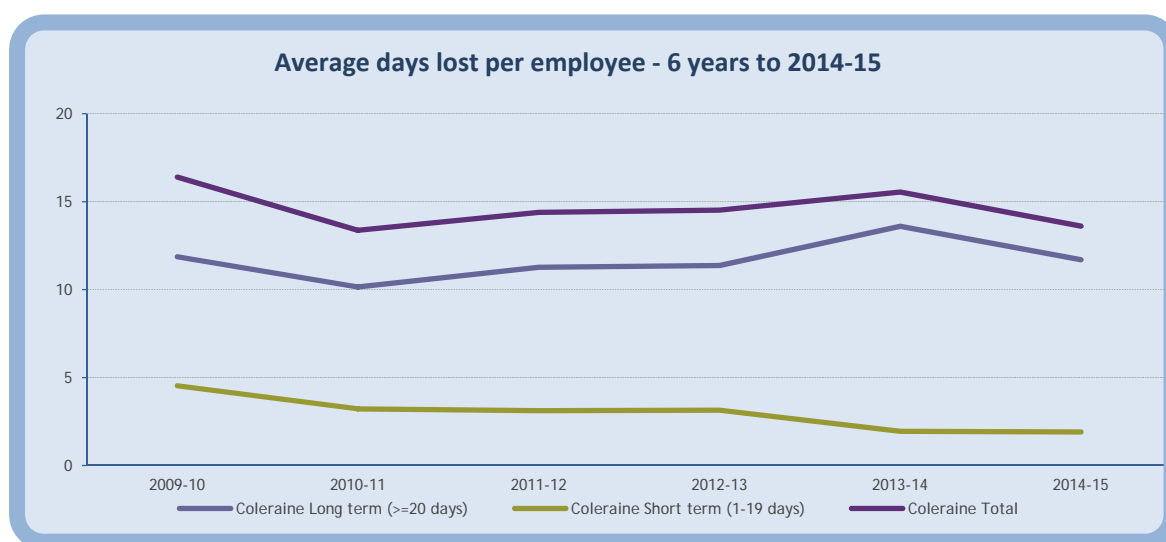
---

<sup>7</sup> Local Government (Northern Ireland) Order 2005

## 5. Other Audit Work

### Absenteeism

The 2014-15 absenteeism figure for Coleraine Borough Council is 13.61 days. This represents a decrease of 1.94 days on the previous year. The Council has told me that this is due to a significant reduction in the average days lost per employee due to long term sickness (reduced from 13.60 days in 2013-14 to 11.70 days in 2014-15). The trend over the years 2009-10 to 2014-15 is shown below.



### Joint Committees

Coleraine Borough Council was a member of:

- the North West Region Waste Management Group Joint Committee which was established for the purposes of managing waste. During the year Coleraine Borough Council advanced £35,870 towards funding the expenditure of the Joint Committee; and
- the North East Region Rural Development Joint Committee which is the delivery mechanism for the Northern Ireland Rural Development Programme 2007-13; and
- the North East Peace III Joint Committee under which Peace III and INTERREG IVA funding is available from the Special EU Programmes Body.

Separate accounts have been prepared by the Joint Committees and are audited by me. Separate annual audit letters are issued to each Joint Committee.

## 6. Closing Remarks

This letter concerning the 2014-15 audit of Coleraine Borough Council is addressed to the Members of Causeway Coast and Glens Borough Council and prepared for the sole use of the latter. No responsibility is taken by auditors to any member or officer in their individual capacity, or to any third party.

The factual accuracy of this Audit Letter has been agreed with the Chief Executive of Causeway Coast and Glens Borough Council.

Both Coleraine Borough Council and subsequently Causeway Coast and Glens Borough Council facilitated the audit in a positive and constructive way. I would like to take this opportunity to express our appreciation for the assistance and co-operation provided.

This letter will be presented to the Causeway Coast and Glens Borough Council Audit Committee by my staff. I have also asked the Chief Executive to provide a copy to all Members of the Council.

**Louise Mason**

Local Government Auditor

2 December 2015