



ACCOUNTS FOR THE  
PERIOD ENDED  
31 MARCH 2012

**Please note that the North Yorkshire Audit Partnership's accounts that follow have not yet been officially audited. However, standards by which the information has been prepared and reported have remained identical to those used previously and in accordance with the accounting policies as set out on pages 4 and 5. No problems are expected in the accounts being accepted by the external auditors during the course of their annual review of activities.**

<b>NORTH YORKSHIRE AUDIT PARTNERSHIP</b> <b>EXPLANATORY FOREWORD</b>
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The North Yorkshire Audit Partnership has continued to develop from its inauguration on 1 February 1999 and these accounts are the thirteenth and final full year's results for the Partnership.

The final accounts for the year 2011/12 show that the Partnership has made a deficit of £51,241 and has final reserves available for redistribution of £18,208. However, whilst accurate, this tells only part of the story for the year. In those final accounts are the costs associated with the transfer from the North Yorkshire Audit Partnership (NYAP) to Veritau North Yorkshire (VNY) and consequently include some sums that are not related to the trading activities of the year. Once those are 'added back' to calculate the 'trading' position, the Partnership made a 'trading' surplus of £20,029 which is in line with recent results, representing 4.3% of turnover. This return also takes account of the decision to 'draw down' the IT Fund.

This 'trading' surplus for 2011/12 has been shared in proportion to the amount of planned audit work charged to each partner council and added to their individual reserves. In total, these 'operational' or 'trading' reserves now stand at £89,477 (balance at 1 April 2011 of £69,448 plus 2011/12 'trading' surplus of £20,029).

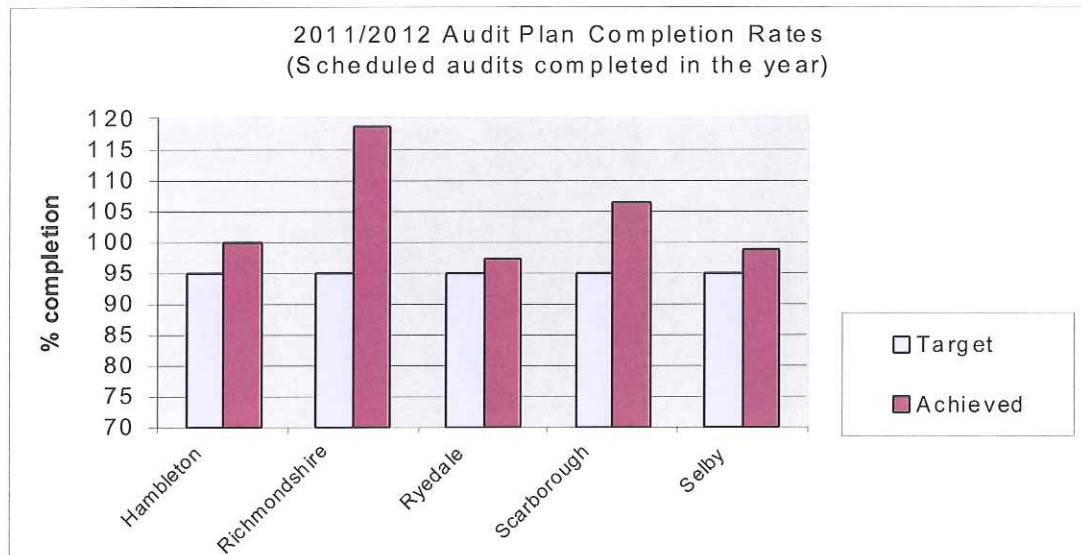
The Partnership Management Board has approved a level of reserves, which is capped at £50,000, approximately 10% of the turnover of the extended Partnership. This cap was considered at the June 2011 Board meeting and it was agreed that the full reserves at that date of £69,448 would be retained to provide sufficient funds for the known and anticipated costs associated with the transfer of NYAP to VNY.

The level of 'trading' reserves, as stated above, now stands at £89,477 and the IT Fund, which had a balance of £7,000, has been drawn down to a nil balance.

The additional costs associated with the transfer of NYAP to VNY have been apportioned to each partner council on the basis of their share of the total final 'trading' reserves. To these has been added the fixed amount of share capital required from each partner council. The combined total of which has been deducted from each partner's share of the gross 'trading' reserves leaving a final residual sum of reserves 'owned' by the partner councils of £18,208. The amounts 'owned' by each partner will be fully reimbursed.

1 April 2011 £	RESERVES	31 March 2012 £
10,881.62	Hambleton	2,535.40
7,201.49	Richmondshire	1,146.27
11,174.75	Ryedale	2,321.66
24,529.21	Scarborough	7,942.50
15,661.36	Selby	4,261.91
69,448.43		18,207.74

Overall, the Partnership has exceeded the standard performance target of 90% for the achievement of planned audit work for the partner councils and has also exceeded the higher target of 95% (based on the revised audit plans) set by the Partnership Management Board for the year. The chart shows the audit completion rate of each partner council based on the revised planned audits in their approved audit plans for 2011/12.



What may seem anomalous; the percentage achievements of Richmondshire and Scarborough are due to the inclusion of approved special investigations at both partner councils. Secondly, as the base number of days at Richmondshire is lower than at Scarborough, there is an enhanced percentage effect in the percentage calculation. Excluding these special investigations, the relevant percentages would be 102.1% and 101.5%.

This year, the Partnership has seen a marked reduction in its role in supporting risk management, as the partner councils continue to embed combined performance management and risk management software, which is 'owned', managed and maintained by managers. The Partnership has worked with the partner councils to embed risk management techniques by helping to facilitate workshops and to develop and manage risk registers.

All the partner councils have audit (and governance) committees and, to support them effectively, it continues to require an increased amount of chargeable time for servicing these committees. There is also an increased expectation of extra work for follow up audits, to verify that agreed recommendations have been implemented.

The Partnership Management Board meets as necessary during the year and continues to be supported by Ryedale District Council in its role as host council.

Turning to the future, the principal issue that Internal Audit, now provided through Veritau North Yorkshire, continues to face is the significant changes to the methods of working in the councils, which is going to push the need for councils to identify and deliver savings especially in 'back office functions'. This initiative will, almost certainly, lead to fundamental changes in methods of service provision, including partnering, commissioning, outsourcing, joint third sector working and service provision through traditional in-house means and so the internal audit work must change to reflect this.

Overall this has been a very satisfactory year in performance terms and the Partnership has managed to achieve a modest 'trading' surplus, albeit with an overall deficit due to additional costs which were required to be brought into account. However, more importantly, in this final year the Partnership has delivered a good quality internal audit service to the partner councils.

J R Ingham CPFA

HEAD OF PARTNERSHIP (NORTH YORKSHIRE AUDIT PARTNERSHIP)



# **NORTH YORKSHIRE AUDIT PARTNERSHIP**

## **STATEMENT OF ACCOUNTING POLICIES**

The Statement of Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA), and also with guidance notes issued by CIPFA on the application of accounting standards (SSAPs and FRSs).

The accounting policies applied by the North Yorkshire Audit Partnership during the year are as follows:-

### **1. ACCOUNTING CONVENTION**

The accounts have been prepared under the historical cost convention.

### **2. ACCRUALS OF INCOME & EXPENDITURE**

The accounts are maintained on an accruals basis, that is, sums due to or from the North Yorkshire Audit Partnership during the year are included whether or not the cash has actually been received or paid in the year. In particular:

- Fees and charges due from customers are accounted for as income at the date the Partnership provides the relevant services.
- Supplies are recorded as expenditure when they are consumed.
- Where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

### **3. FUNDING**

Contributions receivable by the North Yorkshire Audit Partnership are credited to the financial year to which they relate.

### **4. RESERVES**

Reserves, in the form of accumulated surpluses, are liable to the partners of the North Yorkshire Audit Partnership. The balance of reserves at 31 March 2008 is due to the original three partners on an equal share basis. With effect from 1 April 2008, any reserves are liable to all the partners in the same proportion as the fees for the planned audit work undertaken at each partner council for the relevant year.

### **5. OVERHEADS & SUPPORT SERVICES**

The costs of overheads and support services are charged to the North Yorkshire Audit Partnership in accordance with the costing principles of the CIPFA Service Reporting Code of Practice (SeRCOP). The total absorption costing principle is used, with the full cost of overheads and support services being shared between users in proportion to the benefits received.

## **6. VAT**

Income and expenditure excludes any amounts related to VAT, as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from it.

## **7. PENSIONS**

Employees of the North Yorkshire Audit Partnership participate in the Local Government Pension Scheme, administered by North Yorkshire County Council. It is not possible to allocate a share of the assets and liabilities of the North Yorkshire Pension Fund to the Partnership, with pensions being accounted for on a defined contribution basis. The amount charged to the Income and Expenditure Account in respect of pension costs and other post retirement benefits is the contribution payable in the year. Any difference between the contribution payable in the year and the contribution actually paid is shown as either a prepayment or an accrual in the Balance Sheet.

**NORTH YORKSHIRE AUDIT PARTNERSHIP**  
**INCOME & EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2012**

2010/11			2011/12	
£	£		£	£
<b>INCOME</b>				
<b>RECHARGE TO PARTNERS</b>				
62,064.00		Ryedale District Council	55,977.00	
164,336.00		Scarborough Borough Council	154,842.00	
94,517.00		Selby District Council	92,825.00	
90,141.80		Hambleton District Council	77,430.00	
54,779.00	465,837.80	Richmondshire District Council	61,385.00	442,459.00
	28,014.50	<b>ADDITIONAL CONTRACT INCOME</b>		25,413.00
	<u>493,852.30</u>	<b>TOTAL INCOME</b>		<u>467,872.00</u>
<b>EXPENDITURE</b>				
<b>EMPLOYEES</b>				
278,140.55		Payroll	282,681.88	
20,236.12		National Insurance	21,183.41	
55,705.91		Superannuation	62,372.14	
0.00		Pension Contributions	13,881.69	
27,479.42		Redundancy Costs	38,350.89	
0.00		Bureau Staff	2,000.00	
27,594.25		Agency Staff	28,073.75	
20.00		Medical Fees	0.00	
3,096.56		Insurance	5,316.07	
545.70		Training	4,826.25	
799.00	413,617.51	Professional Subscriptions	1,262.50	459,948.58
	19,268.02	<b>TRANSPORT</b>		23,666.79
		Car Allowances		
		<b>SUPPLIES &amp; SERVICES</b>		
515.51		Equipment	195.89	
817.72		Miscellaneous	1,031.54	
9.19		Protective Clothing	143.80	
1,087.59		Printing & Stationery	876.21	
111.46		Photocopying	88.85	
210.00		Books & Publications	270.00	
3,800.00		Conference & Seminar Fees	1,189.79	
1,257.57		Travel & Subsistence	1,185.04	
41.16		Telephones	0.00	
1,084.80		Software	0.00	
1,623.48		Advertising	2,475.20	
3,350.00		Audit Fee	5,700.00	
961.52		Consultants	432.92	
0.00	14,870.00	Hired Services	9,037.08	22,626.32
	9,677.48	<b>SUPPORT SERVICES</b>		9,871.00
	<u>457,433.01</u>	<b>TOTAL EXPENDITURE</b>		<u>516,112.69</u>
	<u>36,419.29</u>	<b>OPERATING SURPLUS/(DEFICIT)</b>		<u>(48,240.69)</u>
	0.00	<b>CONTRIBUTION TO/(FROM) IT FUND</b>		(7,000.00)
	0.00	<b>CONTRIBUTION TO/(FROM) VERITAU NORTH YORKSHIRE</b>		10,000.00
	<u>36,419.29</u>	<b>SURPLUS/(DEFICIT) FOR YEAR</b>		<u>(51,240.69)</u>




# NORTH YORKSHIRE AUDIT PARTNERSHIP

BALANCE SHEET AS AT 31 MARCH 2012

2010/11			2011/12		NOTES
£	£		£	£	
<b>ASSETS</b>					
103,418.50		Debtors	106,687.96		1
0.00	103,418.50	Cash in Hand	0.00	106,687.96	
<b>Less CURRENT LIABILITIES</b>					
		Creditors	37,225.74		2
0.00		Cash Overdrawn	51,254.48	88,480.22	
26,970.07	26,970.07				
	<u>76,448.43</u>			<u>18,207.74</u>	
<b>REPRESENTED BY</b>					
	69,448.43	Reserves		18,207.74	3
	7,000.00	IT Fund		0.00	4
	<u>76,448.43</u>			<u>18,207.74</u>	

### RESPONSIBLE FINANCIAL OFFICER'S CERTIFICATE

I certify that the above Balance Sheet fairly states the financial position of the North Yorkshire Audit Partnership as at 31 March 2012.

Signed .....  ..... P D Cresswell CPFA 19 June 2012  
CORPORATE DIRECTOR (S151) (RYEDALE DISTRICT COUNCIL)

### CERTIFICATE OF PARTNERSHIP MANAGEMENT BOARD APPROVAL

I confirm that the North Yorkshire Audit Partnership's accounts were approved by the Partnership Management Board at the meeting held on Wednesday 27 June 2012.

Signed ..... Councillor C R Wainwright 27 June 2012  
CHAIRMAN OF PARTNERSHIP MANAGEMENT BOARD

NOTES		£	£
<b>1</b>	<b>DEBTORS</b>		
		2011/12	2010/11
	Scarborough Borough Council	41,380.72	44,420.91
	Selby District Council	25,160.00	21,267.80
	Hambleton District Council	16,900.24	17,451.29
	Richmondshire District Council	23,247.00	16,380.00
	Richmond Town Council	0.00	750.00
	Essex Audit Group	0.00	250.00
	Worcestershire Shared Audit Svcs Partnership	0.00	523.50
	Hull City Council	0.00	1,875.00
	North Yorkshire Procurement Partnership	0.00	500.00
		<u>106,687.96</u>	<u>103,418.50</u>
<b>2</b>	<b>CREDITORS</b>		
		2011/12	2010/11
	NYAP Employees	10,219.37	0.00
	Ryedale District Council	13,881.69	0.00
	Johnson Publishing (Yorkshire Post)	1,237.60	0.00
	Mazars	1,450.00	0.00
	Veritau	10,437.08	0.00
		<u>37,225.74</u>	<u>0.00</u>
<b>3</b>	<b>RESERVES</b>		
		Surplus b/f	(Deficit) for year
		Surplus c/f	
	Ryedale District Council	11,174.75	(8,853.09)
	Scarborough Borough Council	24,529.21	(16,586.71)
	Selby District Council	15,661.36	(11,399.45)
	Hambleton District Council	10,881.62	(8,346.22)
	Richmondshire District Council	7,201.49	(6,055.22)
		<u>69,448.43</u>	<u>(51,240.69)</u>
<b>4</b>	<b>IT FUND</b>		
	Balance b/f		7,000.00
	Contribution for year		(7,000.00)
	Balance c/f		<u>0.00</u>
<b>5</b>	<b>STATUS OF THE NORTH YORKSHIRE AUDIT PARTNERSHIP</b>		
	<p>With effect from 1 January 2008, Ryedale, Scarborough and Selby district councils agreed a continuation of the North Yorkshire Audit Partnership until 31 March 2012. On 1 April 2008, Hambleton and Richmondshire district councils formally joined the Partnership as full partners, retaining the fundamental principles of the Partnership Agreement.</p>		
	<p>The North Yorkshire Audit Partnership ceased to exist on 31 March 2012 and, with effect from 1 April 2012, Veritau North Yorkshire Ltd was formed to provide internal audit services to Ryedale, Scarborough, Selby, Hambleton and Richmondshire district councils.</p>		

# NORTH YORKSHIRE AUDIT PARTNERSHIP

CASH FLOW STATEMENT AS AT 31 MARCH 2012

2010/11			2011/12	
£	£		£	£
36,419.29		<b>Surplus/(Deficit)</b>	(51,240.69)	
0.00	36,419.29	Add <b>Contribution to/(from) IT Fund</b>	(7,000.00)	(58,240.69)
		<b>Variations:-</b>		
37,366.22		Decrease/(Increase) in Debtors	(3,269.46)	
(845.60)	36,520.62	Increase/(Decrease) in Creditors	37,225.74	33,956.28
		<b>Net Increase/(Decrease) in Cash</b>		
			<u>(24,284.41)</u>	
			<u><u>72,939.91</u></u>	

MOVEMENT IN CASH	As at 31.3.12 £	As at 31.3.11 £	Movement £
Cash in Hand/(Overdrawn)	(51,254.48)	(26,970.07)	(24,284.41)
<b>Net Increase/(Decrease) in Cash</b>	<u>(51,254.48)</u>	<u>(26,970.07)</u>	<u>(24,284.41)</u>

# NORTH YORKSHIRE AUDIT PARTNERSHIP

## STATEMENT OF RESPONSIBILITIES

### THE NORTH YORKSHIRE AUDIT PARTNERSHIP'S RESPONSIBILITIES

The North Yorkshire Audit Partnership is required:-

- ◆ to make arrangements for the proper administration of its financial affairs and to secure that an officer has the responsibility for the administration of those affairs. For the North Yorkshire Audit Partnership, that officer is the Responsible Financial Officer.
- ◆ to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- ◆ to approve the accounts.

### THE RESPONSIBLE FINANCIAL OFFICER'S RESPONSIBILITIES

The Responsible Financial Officer is responsible for the preparation of the North Yorkshire Audit Partnership's accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice'), is required to present fairly the financial position of the North Yorkshire Audit Partnership at the accounting date and its income and expenditure for the period (ended 31 March 2012).

In preparing these accounts, the Responsible Financial Officer has:-

- ◆ selected suitable accounting policies and then applied them consistently.
- ◆ made judgements and estimates that were reasonable and prudent.
- ◆ complied with the Code of Practice.

The Responsible Financial Officer has also:-

- ◆ kept proper accounting records which were up to date.
- ◆ taken reasonable steps for the prevention and detection of fraud and other irregularities.

Signed .....  ..... P D Cresswell CPFA

19 June 2012

CORPORATE DIRECTOR (S151) (RYEDALE DISTRICT COUNCIL)



# NORTH YORKSHIRE AUDIT PARTNERSHIP

## ANNUAL GOVERNANCE STATEMENT

### 1. Scope of Responsibility

The North Yorkshire Audit Partnership (NYAP) was formed through the provisions of the Local Government Act 1972. It has a separate Partnership Management Board and, as a joint committee, a duty to prepare separate financial accounts, which are subject to audit. Ryedale District Council acts as the host council providing financial services, and the Partnership operates to Ryedale District Council's Constitution. However, certain decisions are reserved to the Partnership Management Board, specifically approving the budget and accounts, and staff terms and conditions.

The Partnership, though small, is a 'relevant body' and as such is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Partnership also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Partnership is also responsible for ensuring that there is a proper governance framework, incorporating a sound system of internal control, which facilitates the effective exercise of the Partnership's functions and which includes arrangements for the management of risk.

As the Partnership Agreement concluded on 31 March 2012, this Annual Governance Statement (AGS) covers the final period of the Partnership, and is valid for the period to 31 March 2012, and has certain aspects relevant for the 'winding up' period which concludes on 30 June 2012. Therefore the following statement describes the framework applicable for the year to 31 March 2012.

### 2. The Purpose of the Annual Governance Statement

The purpose of the Annual Governance Statement is to describe the Partnership's governance and internal control framework, the process for evaluating business risk and the procedures applied to manage those risks.

The governance and internal control framework is based on a continuous risk management process designed to:

- ◆ Identify the principle risks to the achievement of the Partnership's objectives
- ◆ Evaluate the nature and extent of these risks
- ◆ Manage the risks efficiently, effectively and economically

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on a continuous process designed to identify and prioritise the risks to the achievement of the Partnership's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.

Staff associated with the Partnership should report any problems immediately and management should act on the findings to correct areas of weakness.



The governance framework and associated system of internal control have been in place at the Partnership for the year ended 31 March 2012.

### **3. The Governance Framework (and System of Internal Control)**

The key elements of the framework are described below.

#### ***The Partnership Management Board properly represents all the partner councils***

The Partnership has a formal agreement, which incorporates clauses in respect of the Board, its composition, and rules on quoracy. The Board meets appropriately to comply with the statutory requirements of setting budgets, receiving interim financial statements and approving the final accounts.

#### ***The Partnership publishes its objectives in an annual business plan***

The main component is the budget for the year, which is closely linked to planned audit work for each of the partner councils, and any external clients. This is used to determine the level of fees for the subsequent year.

Detailed audit plans are agreed with each of the partner councils.

#### ***The Partnership operates through the host council's Constitution, including the Standing Orders, however other policies and decisions are made through the Partnership Management Board***

The prime objectives are to operate effectively, efficiently, transparently and accountably and within the law.

The Constitution, and Standing Orders are supplemented by:

- ◆ Scheme of delegation
- ◆ Policies and procedures of the host council
- ◆ Codes of conduct for Members and officers
- ◆ Specific issues as approved by the Board

#### ***Financial management includes forward planning of expenditure and resources, budget consultation, budget setting and monitoring and the production of the statutory accounts***

These are expected to be accurate, include information relevant to the client and the Partnership and are completed within agreed timescales.

The Chief Financial Officer of the Partnership is also the Corporate Director (s151) at the host council; Ryedale District Council. In that role the Chief Financial Officer is directly responsible to the Chief Executive and so this arrangement meets the criteria set out for the role of the Chief Financial Officer in Local Government and thereby meets the requirement in respect of the Partnership.

#### ***A range of internal controls exist to support the Partnership***

The aim is to ensure compliance with policies, procedures and statutory requirements:

- ◆ Ensure the economical, effective and efficient use of resources
- ◆ Provide an effective performance management and reporting process

These internal controls are set out below together with a review of their effectiveness.

#### 4. Review of Effectiveness

The Partnership has a duty and responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review takes cognisance of the work of the internal auditors and the managers within the Partnership, who have responsibility for the development and maintenance of the internal control environment. It also acts upon comments made by the external auditors.

CONTROL	REVIEW OF EFFECTIVENESS	ACTION REQUIRED	STATUS
Key plans and strategies are in place.	<p>The annual business plan is reviewed by the Board.</p> <p>The Partnership needs to produce a strategic plan relevant to the extended Partnership for approval by the Board at the budget meeting.</p> <p>There are now further proposals being considered for the future of the Partnership. These are the subject of discussions by the 'directors' and staff of the Partnership and the preparation of development papers.</p>	<p>Report to Board on strategic plan for the extended Partnership (Dec 2010).</p> <p>The future options are being considered and an outline business case for each option is being developed.</p> <p>No further action required. The Partnership Board must approve the final accounts and final disbursement of any residual reserves.</p>	<p>Completed.</p> <p><i>June 2012 – All the partner councils have agreed to form, with Veritau, a regulated company Veritau North Yorkshire (VNY) to deliver internal audit services to the former NYAP partner councils.</i></p>
Statutory roles of the Partnership's s151 Officer and the Monitoring Officer to ensure internal control procedures are efficient and effective and are being complied with on a routine basis to ensure legality and sound financial standing.	<p>The Partnership Board and Chief Officers of the partner councils have a full range of professional officer advice to enable them to carry out these functions effectively and in compliance with statutory requirements.</p> <p>The Partnership has appointed its own Internal Auditor who fulfils that statutory requirement and completes the Annual Return similarly required. They have not raised any matters of principle in their report to the Board or their certification for External Audit.</p>	None.	<p>Completed.</p> <p><i>June 2012 – The Partnership's Internal Auditor has signed off the 2011/12 Annual Return, so concluding their work.</i></p>

CONTROL	REVIEW OF EFFECTIVENESS	ACTION REQUIRED	STATUS
Internal Audit (of the Partnership) provides independent and objective assurances across the whole range of the Partnership's activities.	Being an Internal Audit Partnership, and recognising its small size, it does not have a specific continuous internal audit.  This situation has been agreed by the Board and the s151 Officers of the partner councils.	None as an Internal Auditor has been appointed to validate the accounts and to provide proper certification for External Audit.	Completed.  <i>June 2012 – The Partnership's Internal Auditor has signed off the 2011/12 Annual Return, so concluding their work.</i>
Risk management policies and procedures are in development with the objective of ensuring that the risks facing the Partnership in achieving its objectives are evaluated, regularly reviewed and mitigation strategies developed.	The risk management policy and the corporate risk register (an identification of the most significant risks) have been approved by the Board.  Considerable training of staff has been undertaken, largely as part of the Partnership's provision of risk management services to the partner councils. The spin off is that risk management and awareness are embedded in the Partnership's practices and procedures.	Risk management policy, and register to be reviewed and approved by the Board at each of its meetings.	Completed.  <i>June 2012 – No longer relevant as VNY will have assumed responsibility from 1 April 2012.</i>
Compliance with key codes of practice.	The Partnership complies with the CIPFA Code of Practice for Internal Audit in Local Government and works to relevant professional standards.	Ascertain relevant requirements and ensure any necessary compliance with the Data Protection Act and Freedom of Information Act.	<i>June 2012 – No longer relevant as VNY will have assumed responsibility from 1 April 2012.</i>
The scrutiny function is carried out by the Partnership Management Board.	The Partnership Management Board exercises the scrutiny function as part of its role for the partner councils.	The s151 Officers of the partner councils meet regularly with the Head of the Partnership to monitor progress and activities. Any significant issues are raised with the Board.	Continuous.  <i>June 2012 – The Partnership Board will approve the final accounts, and formally dissolve the Partnership Board.</i>

We have been advised on the implications of the results of the review of the effectiveness of the system of internal control.

**5. Significant Internal Control Issues**

With the conclusion of the Partnership Agreement, and the formal winding up of the North Yorkshire Audit Partnership, there are no internal control issues to be considered.

Signed ..... Councillor C R Wainwright 27 June 2012  
CHAIRMAN OF PARTNERSHIP MANAGEMENT BOARD

Signed ..... P D Cresswell CPFA 27 June 2012  
CORPORATE DIRECTOR (S151) (RYEDALE DISTRICT COUNCIL)

Signed ..... J R Ingham CPFA 27 June 2012  
HEAD OF PARTNERSHIP (NORTH YORKSHIRE AUDIT PARTNERSHIP)