

## **GREEN GATEWAY TRADING (GM) LTD – APPOINTMENT OF COMPANY AUDITORS**

### **1 PURPOSE OF REPORT**

The purpose of this report is to seek approval for the appointment of company auditors for Green Gateway Trading (GM) Ltd, in accordance with Schedule 1 – Reserved Matters in the Shareholders Agreement.

### **2 INTRODUCTION**

2.1 As 100% shareholder of Green Gateway Trading Ltd, Rochford District Council is classed as a 'body corporate' under the Companies Act. This means therefore that Rochford District Council must be considered to be part of the Green Gateway Group, which, in turn, means that the 'Group' is not exempt from an audit under the Small Companies Exemption rules.

2.2 The auditors, when appointed, will undertake an audit of the 2018 Green Gateway Trading (GM) Ltd accounts.

### **3 QUOTATIONS RECEIVED**

3.1 Three local companies were asked to quote for the audit covering the next three years: only two quotes were received - from Venthams Limited Chartered Accountants and Wilkins Kennedy LLP.

3.2 Based on the quotes received, the cheapest quote was from Venthams Limited at £3,740 plus VAT for this year, with inflationary increases of only 2% for each of the two subsequent years, assuming no significant changes in the circumstances of either of the companies. In addition to undertaking the audit of Green Gateway Trading (GM) Ltd accounts, this sum includes accounts preparation and submissions and Corporation Tax return.

3.3 Venthams have confirmed that there is no conflict of interest for them in preparing and auditing the financial statements for Green Gateway Trading (GM) Ltd. They are satisfied that the appropriate Informed Management within Rochford District Council's Finance Department is adequate. In addition to this, they have carried out their own internal independent audit review, which incorporates segregation of duties among their staff.

### **4 RESOURCE IMPLICATIONS**

4.1 The cost of the audit will be met from Green Gateway Trading (GM) Ltd's operational budget.

### **5 LEGAL IMPLICATIONS**

5.1 None arising directly out of this report.

**6 EQUALITY AND DIVERSITY IMPLICATIONS**

- 6.1 An Equality Impact Assessment has been completed and found there to be no impacts (either positive or negative) on protected groups as defined under the Equality Act 2010.

**7 RECOMMENDATION**

- 7.1 It is proposed that the Investment Board **RESOLVES** that the contract to undertake the statutory audit for Green Gateway Trading (GM) Ltd for the next three years be awarded to Venthams Limited.



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**Background Papers:-**

None.

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