

Southend-on-Sea Borough Council

Agenda
Item No.

Report of Chief Executive and Town Clerk

to

Audit Committee

on

28 March 2012

Report prepared by: Linda Everard, Head of Internal Audit

PKF: Interim Audit Progress Report to Those Charged with Governance

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To report on progress in delivering the interim audit as part of the 2011/12 Annual Audit Plan and delivery of the opinion on the financial statements.

2. Recommendation

- 2.1 The Committee notes the progress made in delivering the interim audit for 2011/12.**

3. Background

- 3.1 A senior representative of PKF (the appointed External Auditor to the Council) will present this report to the Audit Committee and respond to Members' questions.

4. Corporate Implications

- 4.1 Contribution to Council's Aims, Priorities and Outcomes

Audit work contributes to the delivery of all corporate Aims, Priorities and Objectives.

- 4.2 Financial Implications

The cost of external audit for 2010/11 is £350,650 and for 2011/12 is £315,585.

- 4.3 Legal Implications

The Council is required to have an external audit of its activities that complies with the requirements of the Audit Commission's Code of Audit Practice (the Code). By considering this report, the Committee can satisfy itself that this requirement is being discharged and that the audit is being delivered to provide an opinion on the financial statements.

4.4 People and Property Implications

None

4.5 Consultation

This planned audit work and progress with the interim audit has been discussed with the Head of Finance and Resources.

4.6 Equalities and Diversity Implications

None

4.7 Risk Assessment

The Committee should note the progress made in delivering the interim audit as part of the 2011/12 Annual Audit Plan and delivery of the opinion on the financial statements and be aware of the slippage in the timelines that were originally anticipated. Arrangements are being made to address the slippage in timetable, so that the audit opinion on the financial statements will still be delivered in accordance with the statutory deadlines.

4.8 Value for Money

The Audit Commission sets the fee formula for determining external audit fees for all external auditors, taking into account the information gained from its own in-house audit practice and when market testing the audit work that is delivered by the private sector.

4.9 Community Safety Implications and Environmental Impact

None

5. Background Papers

None

6. Attachment: Interim Audit Progress Report 2011/12