

Southend-on-Sea Borough Council

Agenda
Item No.

8

Report of Corporate Director Support Services
to
Audit Committee
On
9 January 2013

Report prepared by: PKF External Auditor

PKF: Annual Audit Letter 2011/12

Executive Councillor – Councillor Moring

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To present the External Auditor's Annual Audit Letter for 2011/12 to the Audit Committee.

2. Recommendation

- 2.1 The Audit Committee approves the Annual Audit Letter for 2011/12.**

3. Background

- 3.1 This Annual Audit Letter summarises the key issues arising from the work PKF have carried out during the year as the Council's auditors, and highlights the key findings that should be considered by the Council.
- 3.2 It is intended to be a short document, aimed at the public, to inform them about the results of the audit. It should be posted onto the Council's website and will also be posted on the Audit Commission's website.
- 3.3 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 and Priorities

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

- 4.2 Financial Implications

The prescribed requirements of what needs to be undertaken by the external auditor and the fee scales are defined by the Audit Commission. The plan and fees charged reflect the application of these requirements to this Council based upon an assessment of risk which is set out in the Annual Audit Plan for 2011/12.

The final cost of external audit for 2011/12 was £351,585.

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.

4.4 People and Property Implications

None

4.5 Consultation

The Annual Audit Letter for 2011/12 has been discussed and agreed with the Chief Executive and the Corporate Director of Support Services.

4.6 Equalities and Diversity Implications

None

4.7 Risk Assessment

Periodically considering the results of the external auditor helps mitigate the risk that the Council does not receive an external audit service that complies with the requirement of the Audit Commission's Code of Audit Practice.

4.8 Value for Money

None

4.9 Community Safety Implications and Environmental Impact

None

5. **Background Papers**

None

6. **Attachment: PKF Annual Audit Letter 2011/12**