

# Southend-on-Sea Borough Council

Agenda  
Item No.

Report of the Chief Executive

to

**Audit Committee**

on

**26th September 2018**

Report prepared by: BDO External Auditor

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**BDO: Annual Audit Letter 2017/18**

**Cabinet Member - Councillor John Lamb**

***A Part 1 Public Agenda Item***

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## **1. Purpose of Report**

- 1.1 To present the External Auditor's Annual Audit Letter for 2017/18 to the Audit Committee.

## **2. Recommendation**

- 2.1 The Audit Committee approves the Annual Audit Letter for 2017/18.**

## **3. Background**

- 3.1 This Annual Audit Letter summarises the key issues arising from the work BDO 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 Public Sector Audit Appointments (PSAA) website.

## **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 fee for the audit work is set by Public Sector Audit Appointments Limited and agreed with the Council before the start of the audit. The code audit fee for 2017/18 was £142,816. Issues arising during the course of the audit can impact on the audit fee payable.

- 4.3 Legal Implications

The Council is required to have an external audit of its activities that complies with the requirements of the National Audit Office (NAO)' 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 2017/18 has been discussed and agreed with the Director of Finance and Resources.

4.6 Equalities Impact Assessment

None

4.7 Risk Assessment

Periodically considering whether the external auditor is delivering the agreed Annual Audit Plan helps mitigate the risk that the Council does not receive an external audit service that complies with the requirement of the NAO's Code of Audit Practice.

4.8 Value for Money

PSAA sets the fee formula for determining external audit fees for all external auditors.

4.9 Community Safety Implications and Environmental Impact

None

**5. Background Papers**

None

**6. Attachment: BDO's Annual Audit Letter 2017/18**