

**AUDIT COMMITTEE
12 DECEMBER 2013**

REPORT OF CORPORATE DIRECTOR (CORPORATE SERVICES)

A.2 EXTERNAL AUDIT'S ANNUAL AUDIT LETTER 2012/13

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Committee the External Auditor's Annual Audit Letter 2012/13.

EXECUTIVE SUMMARY

The Annual Audit Letter for 2012/13 has recently been received from the Council's External Auditors which primarily summarises the outcomes from various audit activities undertaken during the year. The key messages set out in the letter highlight that the Council received an unqualified opinion on its financial statements and had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

RECOMMENDATIONS

That the Audit Committee considers and notes the contents of the Annual Audit Letter 2012/13.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The aim of continuing to be financially stable and well managed and provide good value for money is directly supported through learning and improving through audit and inspection.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

There are no direct financial implications arising from this report although a small additional fee for the year has been highlighted which can be met from within existing budgets.

Risk

Not responding practically and timely to outcomes from audit and inspection may have an impact on the delivery of the Council's priorities, reputation, governance arrangements and overall control environment.

LEGAL

The Annual Audit Letter is required to be published and made available to all members by the end of November each year. A copy of the Annual Audit Letter 2012/13 was sent to all members by the end of November 2013.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

This report does not have a direct impact although items could feature in the recommendations and subsequent action plans in future external audit reports. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.

PART 3 – SUPPORTING INFORMATION

ANNUAL AUDIT LETTER 2012/13

There are a number of different strands of external audit inspection undertaken during the year such as specific activity in relation to the financial statements and value for money opinion. The outcomes from these activities are reported to the Council separately as they are completed during the year. The Annual Audit Letter is effectively an end of year report for the Council which captures and summarises these outcomes in one document. It is primarily directed to Members but it must also be made available as a public document.

The **Annual Audit Letter** relating to 2012/13 is attached. No significant issues have been raised relating to 2012/13.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

ATTACHED Annual Audit Letter 2012/13