

**REPORT TO:** Executive Board  
**DATE:** 3 December 2009  
**REPORTING OFFICER:** Strategic Director – Corporate & Policy  
**SUBJECT:** Annual Audit Letter  
**WARD(S):** Borough-wide

## **1.0 PURPOSE OF REPORT**

1.1 To present the Annual Audit Letter 2008/09 for approval.

## **2.0 RECOMMENDATION: That the Annual Audit Letter be approved.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Annual Audit Letter summarises the findings from the 2008/9 audit completed by the Council's external auditors. It includes messages arising from the audit of the financial statements and the results of the work undertaken in assessing the Council's arrangements to secure value for money in the use of its resources.

3.2 A copy of the 2008/9 Annual Audit Letter is attached to this report. The report is in a different format to previous years in that it focuses on audit rather than inspection issues. Inspection has been replaced by the Comprehensive Area Assessment (CAA) and the output on this will be published on 10 December 2009. CAA will be published via the Oneplace website and it will include both the organisational and the area assessment.

## **4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS**

4.1 The Council is a publicly funded body and as such is required to receive and consider annual reports from externally appointed auditors. The external audit function makes an important contribution to the stewardship of resources and the corporate governance of public services.

4.2 The Annual Audit Letter provides an unqualified opinion on the Council's 2008/09 financial statements. It also provides an unqualified conclusion that the Council has adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.

4.3 The cost of the external audit for 2008/09 is set out on page four of the Annual Audit Letter.

## **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

5.1 The economic, efficient and effective use of the Council's resources is a major factor in delivering better and sustainable outcomes for local people and therefore contributes to all of the Council's priorities.

## **6.0 RISK ANALYSIS**

6.1 The Annual Audit Letter states that no significant weaknesses were identified in the Council's internal control arrangements. However, the key risks identified through the audit process are reflected in the recommendations for improvement made in the report.

## **7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 None identified.

## **8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

8.1 None.