

<b>AUDIT COMMITTEE</b>	AGENDA ITEM No. 6
<b>7 FEBRUARY 2011</b>	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor Seaton, Cabinet Member for Resources	
Committee Member(s) responsible:	Councillor Collins, Chair of Audit Committee	
Contact Officer(s):	John Harrison, Executive Director of Strategic Resources	☎ 452 398

## EXTERNAL AUDIT REPORTS

<b>RECOMMENDATIONS</b>	
<b>FROM :</b> PricewaterhouseCoopers	<b>Deadline date :</b> N/A
<p>The Committee is asked to consider, and endorse the final reports produced by External Audit in the following areas:</p> <ul style="list-style-type: none"> <li>(i) 2009 / 2010 Annual Audit Letter;</li> <li>(ii) Statement of Accounts 2009 / 2010: Report to Management; and</li> <li>(iii) Grant Claims: Annual Certification Report</li> </ul>	

### 1. ORIGIN OF REPORT

This report is submitted to the Audit Committee in line with its Work Programme for 2010 / 2011.

### 2. PURPOSE AND REASON FOR REPORT

The purpose of this report is to introduce various reports from PricewaterhouseCoopers (PwC), the Council's external auditors, in accordance with the Committees' Terms of Reference – 2.2.6 *To consider the external auditors annual letter, relevant reports, and the report to those charged with governance.*

### 3. TIMESCALE

Is this a Major Policy Item / Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	N/A
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### 4. EXTERNAL REPORTS

4.1 During the year, PwC have undertaken various reviews on behalf of the authority. The following reports have been received and agreed with senior management. PwC will be in attendance to discuss matters arising in each report.

Appendix	Report	Issue Date
A	2009 / 2010 Annual Audit Letter	November 2010
B	Statement of Accounts 2009 / 2010: Report to Management	December 2010
C	Grant Claims: Annual Certification Report	January 2011

#### 4.2 **2009 / 2010 Annual Audit Letter (Appendix A)**

The External Auditor and the Audit Commission Relationship Manager produce an Annual Audit Letter reviewing the Council's arrangements and progress in relation to the Audit of the Accounts. The draft report was submitted to Cabinet in December 2010.

#### **Statement of Accounts 2009 / 2010: Report to Management (Appendix B)**

This sets out various control and systems issues identified during the course of their audit work.

#### **Grant Claims: Annual Certification Report (Appendix C)**

Annual report into the review and verification of grant claims across PCC.

### 5. **CONSULTATION**

The various appendices have been discussed, and actions agreed by senior management at various times before being finalised. In addition, Cabinet have discussed and approved their content.

### 6. **ANTICIPATED OUTCOMES**

Acknowledgement of the works undertaken by External Audit and to endorse the Action Plans they have produced in consultation with senior management.

### 7. **REASONS FOR RECOMMENDATIONS**

Audit Committee to note the contents of the report and to comment on issues identified within the various commissioned works.

### 8. **ALTERNATIVE OPTIONS CONSIDERED**

None.

### 9. **IMPLICATIONS**

Implications have been identified separately in each agreed Action Plan.

### 10. **BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

None