



**Executive**  
9 December 2013

**Report of the Chief Finance  
Officer**

Wards affected: ALL

**Annual Audit Letter 2012/13**

**1. Summary**

- 1.1 This report presents the Annual Audit Letter for 2012/13, which was produced by the Council's external auditors KPMG.

**2. Recommendations**

- 2.1 Members are recommended to note the contents of the Annual Audit Letter.

**3. Detail**

- 3.1 At the conclusion of the annual audit the external auditor produces a letter which confirms its opinion on the audit of the financial statements and arrangements to secure value for money.
- 3.2 As this was the first audit undertaken by KPMG the letter is a slightly different format to previous years. It sets out KPMG's opinion that:
- the Council has proper arrangements in place for securing financial resilience and challenging how it secures economy, efficiency and effectiveness;
  - the medium term financial plan and budget monitoring arrangements are robust;
  - the financial statements give a true and fair view of the financial position and of the expenditure and income for the year.
- 3.3 A more detailed report on the 2012/13 Statement of Accounts was considered by the Audit Committee at its meeting on 25 September 2013.
- 3.4 A recommendation has been made regarding the production of the Whole of Government Accounts (WGA) return and work has already commenced to

deliver improvements in this area. It should be noted that the Audit Commission has recognised that there were national issues with the WGA process in 2012/13 and that these affected the timeliness of returns from councils.

#### **4. Financial Implications**

- 4.1 The Audit Letter has directly implications on the financial reporting and management of the Council and on the adequacy of its controls.

#### **5. Legal Implications**

- 5.1 None identified.

#### **6. Diversity Implications**

- 6.1 None identified.

#### **7. Staffing Implications**

- 7.1 None identified.

#### **8. Background Papers**

Audit Committee – Report and Agenda 25 September 2013.

#### **9. Contact Officers**

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