

DECISION-MAKER:	GOVERNANCE COMMITTEE		
SUBJECT:	EXTERNAL AUDIT – ANNUAL AUDIT LETTER 2015-16		
DATE OF DECISION:	14 NOVEMBER 2016		
REPORT OF:	CHIEF INTERNAL AUDITOR		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Neil Pitman	Tel: 01962 845139
	E-mail:	neil.pitman@hants.gov.uk	
Director	Name:	Mel Creighton	Tel: 023 80834897
	E-mail:	Mel.creighton@southampton.gov.uk	
STATEMENT OF CONFIDENTIALITY			
N/A			
BRIEF SUMMARY			
The purpose of the annual audit letter is to communicate the key issues arising from the work of the external auditor to Members and external stakeholders, including members of the public.			
RECOMMENDATIONS:			
	(i)	To note the Annual Audit Letter 2015/16 as attached Appendix 1.	
REASONS FOR REPORT RECOMMENDATIONS			
1.	Under the statutory Code of Audit Practice, the external auditors are required to issue a report to those charged with governance the conclusions from their audit work.		
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED			
2.	None		
DETAIL (Including consultation carried out)			
3.	The external auditors 2015-16 audit work was undertaken in accordance with the Audit Plan issued in April 2016 and was conducted in accordance with the Audit Commission's Code of Audit Practice, International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.		
4.	<p>The external auditors are responsible for:</p> <ul style="list-style-type: none"> • Forming an opinion on the financial statements, and on the consistency of other information published by them; • Reviewing and reporting by exception on the Council's AGS; • Forming a conclusion on the arrangements the Council has to secure economy, efficiency and effectiveness in its use of resources; and • Undertaking any other work specified by the Audit Commission and the Code of Audit Practice. <p>The Annual Audit Letter 2015/16 summaries the results of the external auditor's work across these areas. The report elaborates on those matters the external auditors consider most significant to the Council.</p>		

RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
5.	None
<u>Property/Other</u>	
6.	None
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
7.	Audit work is undertaken in accordance with the requirements of the Local Audit & Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments Ltd, auditing standards and other professional requirements.
<u>Other Legal Implications:</u>	
8.	None
POLICY FRAMEWORK IMPLICATIONS	
9.	None
KEY DECISION?	No
WARDS/COMMUNITIES AFFECTED:	
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Annual Audit Letter for the year ended 31 March 2016
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessments (ESIA) to be carried out.	No
Privacy Impact Assessment	
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.	No
Other Background Documents	
Equality Impact Assessment and Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None