
EXTERNAL AUDITOR'S ANNUAL AUDIT PLAN FOR 2013/14

1 SUMMARY

- 1.1 This report presents the Council's external auditor's updated annual audit plan (AAP) covering the audit of the 2013/14 accounts and grants.

2 INTRODUCTION

- 2.1 In its AAP, attached as appendix 1, BDO sets out its audit approach and scope in relation to the audit of the 2013/14 financial statements, value for money conclusion and grant certification work.
- 2.2 The AAP confirms that there has been no change to the audit fee for 2013/14 and that the scale fees, set by the Audit Commission for future years, are to be revisited when an annual review of the work programme is undertaken.

3 EXTERNAL AUDIT ARRANGEMENTS

- 3.1 When the Audit Commission was abolished and external audit work outsourced, PKF (UK) LLP was confirmed as appointed external auditor for Rochford District Council with effect from 1 September 2012 for a 5 year term. PKF has subsequently merged with BDO LLP under the BDO brand. The Audit Commission has undertaken due diligence and advised that it is satisfied that the new merged firm will continue to meet the Commission's requirements. The Audit Commission Board has confirmed that it has novated PKF's contract to BDO with effect from 28 March 2013.

4 RESOURCE IMPLICATIONS

- 4.1 The total audit fee of £62,643 is the same as the fee charged for 2012/13. The fee for the auditing of grants claims will be £12,400 – this is not varied from the scale fee, but represents a reduction of approximately 0.17% on the 2012/13 fee of £14,950.

5 LEGAL IMPLICATIONS

- 5.1 The Council is legally required to have an external auditor appointed by the Audit Commission. The Commission has the power to determine the fee above or below a scale fee, where it considers that substantially more or less work was required than envisaged by the scale fee.

6 RECOMMENDATION

- 6.1 It is proposed that the Committee **RESOLVES**

That the external auditor's annual audit plan for 2013/14 be noted.

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Background Papers:-

None.

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