

**REPORT TO: AUDIT AND PERFORMANCE REVIEW COMMITTEE ON  
28 APRIL 2010**

**SUBJECT: EXTERNAL AUDIT - ANNUAL PLAN 2009/10**

**BY: CHIEF FINANCIAL OFFICER**

**1. REASON FOR REPORT**

- 1.1 To provide Committee with a copy of the External Auditor's Annual Plan for 2009/10.
- 1.2 This Report is submitted to Committee in terms of Section I(7) of the Council's Administrative Scheme relating to reports produced by the Council's External Auditor and Audit Scotland.

**2. RECOMMENDATION**

- 2.1 **It is recommended that the Committee consider the contents of the External Auditor's Annual Plan for 2009/10.**

**3. BACKGROUND**

- 3.1 The Annual Audit Plan 2009/10 has been received from Audit Scotland attached as **APPENDIX 1**. The Plan sets out the findings from External Audit's risk assessment for the Council, the corresponding actions to be taken by the Council to mitigate those risks and the planned work to be undertaken by Audit Scotland for the year ahead.

**4. SUMMARY OF IMPLICATIONS**

**(a) Single Outcome Agreement/Service improvement Plan**

Although not directly linked to the Single Outcome agreement, the work undertaken by External Audit provides assurance to the Committee on the Council's performance management, financial statements and the actions taken by the Council to address key risks .

**(b) Policy and Legal**

The audit is conducted in terms of statutory powers afforded to the appointed External Auditor.

**(c) Resources (Financial, Risks, Staffing and Property)**

The management of risks relating to key issues for the year ahead involves all services across the Council.

Preparation of the Council's annual financial statements requires significant resource inputs as part of the scheduled work of the accountancy team within Finance and ICT.

**(d) Consultations**

The content of the Plan has been discussed with CMT and other relevant officers of the Council.

**5. CONCLUSION**

**5.1 The reports by External Audit inform Members and Officers of Council of the work to be undertaken by Audit Scotland in the year ahead.**

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Background Papers:

Ref: MW/767600/ 769600