

**AUDIT COMMITTEE ANNUAL REPORT**

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**1 INTRODUCTION**

- 1.1 The Council's external auditor has identified that preparation of an annual report by the Audit Committee to the Council is necessary to fully meet the requirements of the Code of Practice for Internal Audit in Local Government in the United Kingdom (The Code). This report outlines how the Council might comply with this requirement.

**2 RECOMMENDATION**

- 2.1 To agree that the Audit Committee will prepare an annual report to the Council with the first report covering the financial year ended 31 March 2008.

**3 DETAIL**

- 3.1 The Audit Committee does not currently prepare an annual report to the Council summarising its work during the year and outlining its view of the Council's internal control framework, risk management and governance arrangements. The external auditor believes such a report is required to fully meet the requirements of the Code.
- 3.2 It is recommended that the Audit Committee will prepare an annual report to the Council with the first report covering the financial year ended 31 March 2008. This should not be an onerous task for the Audit Committee. Much of the information required is already available from the annual report by Internal Audit, the internal financial control statement and the agenda and minutes of the Audit Committee. Internal Audit could draft the initial report, in conjunction with the Chairman, for consideration by the Audit Committee.
- 3.3 The external auditor has been consulted on the terms of this report and is content that the course of action recommended would meet the requirements of the Code.

**4 CONCLUSION**

- 4.1 Preparation of an annual report by the Audit Committee will ensure the Council is fully compliant with the Code.

## **IMPLICATIONS**

Policy	Ensures compliance with the Code of Practice for Internal Audit in local Government in the United Kingdom.
Personnel	None
Legal	Ensures compliance with the Code of Practice for Internal Audit in local Government in the United Kingdom.
Financial	None
Equal Opportunities	None

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