

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Ernst and Young Presentation of Annual Audit Letter 2017/2018</b>	
<b>Report No:</b>	<b>PAS/FH/18/029</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	27 September 2018
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<b>Lead officer:</b>	Greg Stevenson Service Manager – Finance and Performance <b>Tel:</b> 01284 757264 <b>Email:</b> <a href="mailto:Gregory.stevenson@westsuffolk.gov.uk">Gregory.stevenson@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To update members on the outcome of the annual audit of the 2017/2018 financial statements by Ernst and Young, as set out in their report at <b>Appendix A</b> .	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are asked to <u>note</u> the report and Appendix A.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		• N/A	
<b>Alternative option(s):</b>		• N/A	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • The report and appendix include the final scale fee in respect of the 2017/2018 audit of the accounts.	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
None			
<b>Ward(s) affected:</b>		N/A	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	
<b>Documents attached:</b>		<b>Appendix A</b> – FHDC Annual Audit Letter for the year ended 31 March 2018 <b>Appendix B</b> – SEBC Annual Audit Letter for the year ended 31 March 2018	

## 1. Key issues and reasons for recommendation(s)

### 1.1 Summary and reasons for recommendation

1.1.1 To update members on the outcome of the annual audit of the 2017/2018 financial statements by Ernst and Young (EY), our external auditors, as detailed in their Annual Audit Letter for the year ended 31 March 2018, attached at **Appendices A** and **B**.

1.1.2 The letters are for information, and confirm the completion of the audit of the 2017/2018 financial statements.

1.1.3 The final audit fees for 2017/18 are set out in the table below:

<b>Audit Fee - Code Work</b>	<b>Planned Fee 2017/18 £</b>	<b>Final Fee 2017/18 £</b>
Forest Heath DC	47,059	TBC
St Edmundsbury BC	43,767	43,767

1.1.4 The final fee for Forest Heath is expected to be £2,000-£3,000 higher than the planned audit fee of £47,059. This additional fee relates to work performed over the valuation of the solar farm asset, and will be discussed with management before receiving final approval from the PSAA Ltd.

1.1.5 Work on the certification of the Housing Benefit Subsidy returns is not due to be completed until 30 November 2018 and the results of this work, along with the final fees, will be reported in the Annual Certification Reports.