

SUBJECT:	EXTERNAL AUDIT - ANNUAL AUDIT LETTER
REPORT BY:	CHIEF EXECUTIVE AND TOWN CLERK
LEAD OFFICER:	ROBERT BAXTER, INTERIM CHIEF FINANCE OFFICER

1. Purpose of Report

- 1.1 To receive and comment on the Annual Audit Letter for 2016/17, attached as Appendix A.
- 1.2 The report will be presented at the meeting by the Council's external auditors, KPMG.

2. Executive Summary

- 2.1 The Annual Audit Letter summarises the outcome of the 2016/17 external audit of City of Lincoln Council.
- 2.2 The letter is addressed to Members, however it is also intended to communicate the key messages to external stakeholders, including members of the public and will be placed on the Council's website.
- 2.3 The annual audit itself covers both the Statement of Accounts for 2016/17 and the Value for Money (VFM) conclusion.

3. Organisational Impacts

3.1 Finance

The fee for 2016/17 was £47,185 excluding VAT (£48,754 in 2015/16), in addition KPMG are applying to the Public Sector Audit Appointments (PSAA) for a fee variation to cover additional work required to complete the audit of Property Plant & Equipment (PPE) and the VFM conclusion (this is estimated to be £2,871, bringing the total fee to £50,056 in 2016/17).

3.2 Legal Implications including Procurement Rules

There are no legal implications arising as a result of this report.

3.3 Equality, Diversity & Human Rights

There are no direct equality, diversity or human rights implications arising as a result of this report.

4. Risk Implications

4.1 There are no risk implications arising as a result of this report.

5. Recommendation

5.1 The Audit Committee note and comment on the attached Annual Audit Letter.

Key Decision No

Do the Exempt Information Categories Apply No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

Does the report contain Appendices? Yes – 2

List of Background Papers: None

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