

External Audit Fee Letter 2012/13- Mazars

Summary

1. This paper introduces the External Audit 2012/13 fee planning letter (see annex A) prepared by Mazars.

Background

2. As has previously been communicated to members, the provision of the Council's external Audit Service has transferred from the Audit Commission to Mazars.
3. The District Auditor reports annually to inform officers and members his proposed fees and arrangements for external Audit and certification work.
4. The Letter provides details of the Final Fee for 2011/12 of £265,067 for the Audit and certification work along with the proposed fees for 2012/13 totaling £155,356.
5. This reduction in fee is due to the change in audit arrangements and the government's drive for increased efficiency and lower costs. Previously the fees had covered not only the cost of local audit work but also the cost of the Audit Commission's national functions. Now that these functions have been wound up the authority is no longer required to bear the cost.
6. The proposed fee assumes Mazars will be provided with complete and materially accurate financial statements with supporting working papers in agreed timeframes. Therefore there is a risk the fee will be higher if the quality of the working papers provided are not to a suitable standard.

7. The letter also provides an outline of the proposed work programme the fee will cover including:

- The audit of the Statement of Accounts
- Value for money work
- Whole of Government Accounts Assurance work
- Certification of selected grant claims and returns

Consultation

8. Not relevant for the purpose of the report.

Options

9. Not relevant for the purpose of the report.

Analysis

10. Not relevant for the purpose of the report.

Corporate Priorities

11. This report contributes to the overall effectiveness of the council's governance and assurance arrangements.

Implications

12. There are no financial, HR, equalities, legal, crime and disorder, IT or property implications arising from this report.

Risk Management

13. By not responding effectively to the matters contained in this report, the council will fail to properly comply with legislative and best practice requirements.

Recommendations

14. Members are asked to:

Note the contents of this report and the Fees Letter attached at Annex A

Reason

To make members aware of the proposed external Audit fee and arrangements

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**Report
Approved**



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Specialist Implications Officers

Not applicable

Wards Affected:

All

For further information please contact the author of the report

Background Papers:

None

Annex

External Audit Fee Planning Letter 2012/13