

**ANNUAL AUDIT FEE AND AUDIT PLAN 2009/10 UPDATE**  
**WDA/12/10**

**Recommendation**

That Members note the detail of the audit work proposed by the Audit Commission for the 2009/10 audit opinion.

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**Report of the Treasurer**

**1. Purpose of the Report**

- 1.1 To inform Members of the proposed audit work identified by the Audit Commission for the 2009/10 audit opinion.

**2. Background**

- 2.1 The Authority agrees an Audit Plan each year with the Audit Commission, who are the Authority's external auditors.
- 2.2 The Audit Commission set out their proposed fees for the audit in a letter to the Authority on 27<sup>th</sup> April 2009. This set out that the fee would be reviewed in light of risks and a more detailed plan would be presented later in the year.
- 2.3 The Audit Commission have followed this approach and have reviewed the audit risks as the outcome of the previous year's audit work is known. The Audit Commission are not proposing increasing the fee for the audit and their detailed plan is attached at Appendix 1

**3. Audit Plan 2009/10**

- 3.1 The proposed audit work for 2009/10 identifies the following key audit areas:
- Financial Statements
  - Value for Money Conclusion
  - Whole of Government Accounts

#### **4. Risk Implications**

4.1 The Authority's Audit Plan is developed by the Audit Commission using a risk-based approach to audit planning as set out in the Code of Audit Practice. The risks are set out within the Audit Commission's audit plan, the key risks identified are:

- Governance arrangements for the procurement
- The implementation of International Financial Reporting Standards (IFRSs)
- Group accounts
- The Service Level Agreement
- Management capacity to deal with changes

#### **5. HR Implications**

5.1 There are no HR implications associated with this report.

#### **6. Environmental Implications**

6.1 There are no environmental implications associated with this report.

#### **7. Financial Implications**

7.1 The proposed fee for 2009/10 remains at £75,780. This compares to the revised planned fee of £75,782 in 2008/09. This has been allowed for in the Authority's revised estimates.

#### **8. Conclusion**

8.1 Members are asked to note the planned audit work and fees proposed by the Audit Commission for 2009/10.

The contact officer for this report is: Peter Williams  
6th Floor, North House, 17 North John Street, Liverpool L2 5QY

Email: [peter.williams@merseysidewda.gov.uk](mailto:peter.williams@merseysidewda.gov.uk)  
Tel: 0151 255 2542  
Fax: 0151 227 1848

The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.