

Annual Audit Letter

Broads Authority

Audit 2007-2008

March 2009



Contents

Purpose, responsibilities and scope	3
Audit of the accounts	4
Use of resources	5
Closing remarks	6
The Audit Commission	7

Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Purpose, responsibilities and scope

- 1 This Annual Audit Letter (letter) summarises the key issues arising from our work carried out during the year. I have addressed this letter to members as it is the responsibility of the Authority to ensure that arrangements are in place for the conduct of its business and that it safeguards and properly accounts for public money. I have made recommendations to assist the Authority in meeting its responsibilities.
- 2 The letter also communicates the significant issues to key external stakeholders, including members of the public. I will publish this letter on the Audit Commission website at www.audit-commission.gov.uk.
- 3 I have prepared this letter as required by the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. This is available from www.audit-commission.gov.uk.
- 4 As your appointed auditor, I am responsible for planning and carrying out an audit that meets the requirements of the Audit Commission's Code of Audit Practice (the Code). Under the Code, I review and report on:
 - the Authority's accounts; and
 - whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 5 This letter summarises the significant issues arising from both these areas of work and highlights the key recommendations that I consider the Authority should be addressing. I have listed the reports issued to the Authority relating to the 2007/08 audit at the end of this letter.

Audit of the accounts

- 6 As your appointed auditor, I issued an unqualified opinion on the Authority's accounts on 23 January 2009.
- 7 Before giving my opinion I reported to the Broads Authority on the issues arising from the 2007/08 audit. These issues were reported in our Annual Governance Report which was presented to the Authority in January 2009.

Use of resources

- 8 As your appointed auditor, I am required to conclude on whether I am satisfied the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money conclusion.
- 9 I concluded that the Authority did have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources except for:
 - the failure to put in place arrangements to maintain a sound system of internal control; and
 - the failure to put in place arrangements for the management of its asset base.
- 10 The Authority needs to identify its significant partnerships and ensure that it has appropriate governance arrangements in place for each one of them. The Authority also needs to prepare an up to date corporate capital strategy which is linked to its corporate objectives and medium-term financial strategy, and prepare an asset management plan.
- 11 The introduction of the new Comprehensive Area Assessment (CAA) framework from 2009 has prompted the Commission to review the VFM conclusion criteria for all audited bodies. As a result of this review, the previous VFM conclusion criteria are being replaced by the set of key lines of enquiry (KLOE) that will be used for all local authorities, police authorities and primary care trusts. We will discuss these with you prior to our VFM conclusion audit this year.

Best Value Performance Plan

- 12 A report on the Authority's 2007/08 Best Value Performance Plan confirming that the Plan has been audited was issued in December 2007.

Closing remarks

- 13** I have discussed and agreed this letter with Chief Executive. The letter will be presented at the next Broads Authority meeting in 2009 and I will provide copies to all Authority members.
- 14** Further detailed findings, conclusions and recommendations on the areas covered by our audit are included in the reports issued to the Authority during the year.

Table 1 Reports issued

Report	Date of issue
Audit plan	March 2007
Report to those charged with governance	January 2009
Opinion on financial statements	January 2009
Value for money conclusion	January 2009
Final accounts memorandum	February 2009
Annual audit letter	March 2009

- 15** The Authority has taken a positive and constructive approach to our audit. I wish to thank the Authority's staff for their support and cooperation during the audit.

Andy Perrin
District Auditor
 March 2009

The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

Copies of this report

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