



AUDIT COMMITTEE

**AUDIT SCOTLAND 2008/09 AUDIT: MATTERS TO BE REPORTED TO THOSE
CHARGED WITH GOVERNANCE**

REPORT BY INTERNAL AUDIT MANAGER

A. PURPOSE OF REPORT

To inform the Audit Committee of a report from Audit Scotland on matters relating to their audit of the 2008/09 financial statements.

B. RECOMMENDATION

That the Committee notes the terms of this report.

C. SUMMARY OF IMPLICATIONS

I Council Values	Being honest, open and accountable.
	Making best use of resources.
II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)	None.
III Resources - (Financial, Staffing and Property)	None.
IV Consultations	None.

D. TERMS OF REPORT

International Standard on Auditing (ISA 260) requires auditors to communicate matters relating to the audit of the financial statements to those charged with governance of a body.

This report fulfils this function and includes:

- the proposed auditor's report (unqualified);
- a statement that the Head of Finance has provided the formal representations that the auditor requires;
- a statement that no material weaknesses in the accounting and internal control systems were identified during the audit which could result in a material misstatement in the accounts;
- comment in relation to matters arising from the audit work, in relation to Fire Board pension costs, equal pay compensation costs, and group accounts.

This report is separate from the auditor's annual report to members which summarises the findings of their audit work and is submitted to the Audit Committee each December.

E. CONCLUSION

It is appropriate to note that, as stated above, no material weaknesses in the accounting and internal control systems were identified and the auditor proposes to issue an unqualified report on the financial statements.

F. BACKGROUND REFERENCES

Report to Audit Committee 17 March 2009: Audit Scotland Annual Audit Plan 2008/09

Appendices/Attachments: Audit Scotland: Report to those charged with governance on the 2008/09 Audit

Contact Person: Kenneth Ribbons 01506 777121

Kenneth.ribbons@westlothian.gov.uk

Kenneth Ribbons
Internal Audit Manager
15 September 2009