

**Agenda Item No:**

**Report to:** Audit Committee

**Date of Meeting:** 26 September 2011

**Report Title:** PKF Annual Governance Report 2010-11

**Report By:** Peter Grace  
Head of Financial Services

---

**Purpose of Report**

To consider the matters raised by the Council's external auditors (PKF) in respect of their Governance Report . This includes the audit opinion of the Council's 2010-11 accounts, and their value for money assessment of the Council.

---

**Recommendation(s)**

1. That the audit report and action plan be noted.

---

**Reasons for Recommendations**

The Council's external auditors are required to submit a report to the Council's Audit Committee on any matters that are identified during their audit. The report is known as the International Standards of Auditing (ISA) 260 report.

---

## Audit and Inspection

1. The report provides details of matters arising from the audit carried by the External Auditors, who at the time of writing this report are expected to give an unqualified opinion on the Council's accounts on 26 September 2011, in advance of the 30 September deadline.
2. The attached report summarises the principal matters arising from the audit carried out by PKF along with other areas that they are required to give an opinion on. The issues raised have been discussed with the Head of Financial Services and other appropriate Officers. Auditing standards require the External Auditors to report to those charged with governance certain matters before giving an opinion on the accounts.
3. In addition the Auditors give their opinion on the Value for Money that the Council provides in the provision of its services.
4. Financial and Risk Management Implications:

The action plan addresses the issues raised in the Governance report, these have no material implications for the Council.

---

### Wards Affected

None

---

### Area(s) Affected

None

---

### Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	No
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	No

---

### Background Information

PKF Hastings Borough Council Annual Governance Report 2010-11

---

### Officer to Contact

Peter Grace  
pgrace@hastings.gov.uk  
Tel: 01424 451503

---

Appendix A, PKF Hastings Borough Council Annual Governance Report 2010-11 cannot be published on the Council's website because of the tables that it contains. Copies may be obtained from Emily Horne, Committee Administrator Tel: 01424 451719, or by emailing ehorne@hastings.gov.uk