

## **EAST AYRSHIRE COUNCIL**

### **POLICY AND RESOURCES COMMITTEE - 12 JUNE 2003**

#### **EXTERNAL AUDIT ANNUAL SERVICE PLAN**

##### **Report by Director of Finance**

#### **1. PURPOSE OF REPORT**

- 1.1** To advise Members of the External Audit Annual Service Plan in relation to the audit of the Council's performance for 2002/03

#### **2. BACKGROUND**

- 2.1** The Council's external auditors, PricewaterhouseCoopers, have submitted their Annual Service plan for the audit of the accounts and management performance 2002/03 and a copy of this is attached.

#### **3. ANNUAL SERVICE PLAN**

- 3.1** The Annual Service Plan is designed to inform both elected members and management about the external auditor's responsibilities to the Council and how it is intended to discharge these. The professional approach of the auditor is based on the Code of Audit Practice which is referred to in Section II of the plan.
- 3.2** The practical application of this will include the auditor scoping the risks the Council is exposed to, understanding the Council's business including how it is managed and monitored and checking the council's approach by collecting appropriate audit evidence.

Section IV of the plan indicates the kinds of areas of risk which the auditor will consider and Section VI outlines the timetable for the work and the outputs which will arise culminating in a final report to Members in October which will be presented to a meeting of the Council.

#### **4. RECOMMENDATION**

- 4.1** It is recommended that Members note the contents of this report.

Alex McPhee  
**Director of Finance**

AMcP/DMW  
4 June 2003  
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#### **LIST OF BACKGROUND PAPERS NIL**

Members wishing further information should contact Alex McPhee, Director of Finance, Tel: (01563) 576300.