

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

AUDIT AND GOVERNANCE COMMITTEE

DATE: 14 DECEMBER 2007

AGENDA ITEM NO: **7**

SUBJECT: ANNUAL AUDIT AND INSPECTION LETTER FOR 2006/07

Report of the Clerk and Chief Financial Officer

1. MATTER FOR CONSIDERATION

- 1.1. The receipt of the Annual Audit and Inspection letter from the Audit Commission at the conclusion of the Audit for 2006/07.

2. INFORMATION

- 2.1. An annual audit and inspection letter (AAIL) is received each year from the auditor to conclude the annual audit and summarise any findings during the year. A copy of that letter for 2006/07 is attached.

Annual Audit and Inspection Letter (Appendix A)

- 2.2. The AAIL gives a very brief summary of the audit work undertaken in the year, including the audit of the accounts and the related annual governance report (report provided to Members at the September meeting), financial standing and risk management.
- 2.3. Overall the conclusions are positive, noting progress made in a number of areas. Paragraphs 1 to 4 on page 4 set out the key findings for the year and make three recommendations, all of which are already being addressed.
- 2.4. The AAIL includes a summary of the findings of the cross-cutting report prepared for the Executive on 'Increasing Bus Usage in West Yorkshire.' It highlights the strong leadership Metro provides to its partners and praises the work undertaken. However it acknowledges the difficulties in getting all partners to commit to the agreed targets to the same degree and the difficulties offered by the statutory framework which lead to the conclusion that the bus patronage target is unlikely to be achieved by 2010/11.

3. FINANCIAL AND LEGAL IMPLICATIONS

- 3.1. There are none arising directly from this report.

4. STAFFING IMPLICATIONS

4.1. There are none arising directly from this report.

5. EQUAL OPPORTUNITY IMPLICATIONS

5.1. There are none arising directly from this report.

6. RECOMMENDATIONS

6.1. That Members note the auditor's Annual Audit and Inspection Letter.

**Clerk and Chief Financial Officer
West Yorkshire Passenger Transport Authority**