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**Private & Confidential**

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4 June 2013

Dear Alan

**Leeds City Council – Audit progress**

We have now completed our planning and interim audit work in line with the timetable set out in our detailed External Audit Plan, dated January 2013. In that plan we indicated that we may present an Interim Audit Report to the Council's Corporate Governance and Audit Committee to report on the outcome of the planning and control evaluation phases of our audit. This was to ensure that, in line with good practice, any significant matters are reported to those charged with governance in a timely manner.

As our audit work to date has gone smoothly and we have not identified any significant issues, we no longer consider it necessary to report to the Corporate Governance and Audit Committee at this stage. There are a small number of non-significant matters relating to the IT environment which we have discussed with you and your team. We will, for completeness, include these in the ISA260 report which we will produce at the conclusion of the audit and present to the Corporate Governance and Audit Committee in September 2013.

In the absence of the need for an Interim Audit Report, please feel free to table this letter at the June meeting of your Corporate Governance and Audit Committee, to provide them with an update on the progress of our audit. As discussed, we will not attend that meeting but will provide a full briefing on the audit when presenting our ISA260 report at the September meeting.

Yours sincerely

Mike McDonagh  
Partner

cc. *Tim Pouncey*