

DECISION-MAKER:	GOVERNANCE COMMITTEE
SUBJECT:	AUDIT COMMISSION: UPDATE REPORT AND AUDIT PLAN FOR THE AUDIT OF THE 2011/12 FINANCIAL ACCOUNTS
DATE OF DECISION:	02 JULY 2012
REPORT OF:	CHIEF INTERNAL AUDITOR
STATEMENT OF CONFIDENTIALITY	
None	

BRIEF SUMMARY

The purpose of this paper is to provide the Governance Committee with a report on progress in the delivery of the Council's external auditors responsibilities. It includes an update on the externalisation of the Audit Practice and key emerging national issues and developments which may be of interest to members of the Governance Committee

This paper also presents the External Auditors Audit Plan 2011/12 for the Audit of the 2011/12 financial accounts. The plan sets out the work for the 2011/12 audit of the statutory accounts and is based on the Audit Commission's risk-based approach to audit planning. The paper also highlights the external auditors:

- Consideration of risks relevant to the audit of the accounting statements;
- Testing strategy;
- Proposed work ;
- Methodology for concluding on the Council's arrangements to secure economy, efficiency and effectiveness; and
- Key milestones and deadlines

RECOMMENDATIONS:

- (i) That the Audit Committee notes the Audit Commissions Update Report and Audit Plan 2011/12 for the audit of the statutory financial accounts

REASONS FOR REPORT RECOMMENDATIONS

1. The Audit Committee's Terms of Reference require it to be satisfied and provide assurance to the Standards and Governance Committee that appropriate action is being taken on risk and internal control related issues identified by the external auditors. Specifically, the Committee has responsibility for oversight of the reports of external audit.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None

DETAIL (Including consultation carried out)

3. The following Audit Commission reports are attached for consideration in the appendix:

- Update report – June 2012
- Audit Plan – 2011 /12

The external auditor will be in attendance at the Committee meeting to answer any questions.

The reports, as attached, have been discussed and agreed with the appropriate officers.

RESOURCE IMPLICATIONS

Capital/Revenue

None

Property/Other

None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

The duties and powers of auditors appointed by the Audit Commission are set out in the Local Government Act 1999.

Other Legal Implications:

None

POLICY FRAMEWORK IMPLICATIONS

None

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KEY DECISION? Yes/No No

WARDS/COMMUNITIES AFFECTED:	
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SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Audit Commission: Update report – June 2012
2.	Audit Commission: Audit Plan – 2011 /12

Documents In Members' Rooms

1.	None
2.	

Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	No
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Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.		
2.		