

Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

SUPPLEMENTARY AGENDA NO.1

- | | (Pages) |
|--|----------------|
| 11. (a) <u>External Audit Progress Report</u> | |
| To consider report of Ernst and Young. | (1 - 8) |

The next meeting is due to take place on Thursday, 24 September 2015

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Audit Progress Report Year ending 31 March 2015

South Bucks District Council

18 June 2015

Ernst & Young LLP





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Dear Members

Audit Progress Report 2014/15

We are pleased to attach our Audit Progress Report.

This report summarises the work done to date on the 2014/15 audit, and is to ensure our audit is aligned with the Committee's service expectations.

Our audit is being undertaken in accordance with the requirements of the Audit Commission Act 1998, the Code of Audit Practice, the Audit Commission Standing Guidance, auditing standards and other professional requirements.

We provided our Audit Fee letter to the Chief Executive and the Audit Committee on 17 April 2014, and the Audit Plan for the year on 2 March 2015.

We welcome the opportunity to discuss this report with you as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Maria Grindley
Director
For and Behalf of Ernst & Young LLP
UK

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1. Planned work

2014/15 Planning

We presented our 2014/15 Audit Plan to the Audit Committee in March. We will keep the plan under review and will inform you of any changes to our risk assessments and planned work.

Meetings and progress to date

We continue to have regular meetings with key officers as part of our audit. These have been useful as we have discussed the Council's overall context and technical issues as necessary before the final accounts audit.

Our interim reviews identified one issue we wish to bring to your attention: the reconciliation of cash to ledger for non-domestic rates had not been done during the year, and the reconciliation of cash to ledger for Council Tax had not been done post-Quarter 2.

We have also liaised with the Housing Benefit team, selected samples for our initial testing, and have started work. We will discuss the need for any further testing with your benefits team when this stage is complete. Because of the audit regime, we do usually need to do some extra work.

Future meetings include:

- ▶ Regular meetings with key finance staff during the opinion audit visit to discuss significant risks around the accounts, and updates on our work
- ▶ Meetings with the joint Senior Management Team to discuss the significant risks faced by the Council, and our approach and progress with the audit.

Audit Committee

If members of the Audit Committee have any particular issues they want to discuss with us we would be pleased to discuss these with you.

2. Timetable

Audit Committee Timeline

We have set out below a timetable showing the key stages of the audit, including the value for money work and the whole of government accounts, and the deliverables we have agreed to provide through the 2014/15 and 2015/16 Audit Committee cycle.

We will provide formal reports to the Audit Committee throughout the audit as outlined below. From time to time matters may arise that require immediate communication with the Committee; we will discuss them with the Committee Chairman as appropriate.

Following the conclusion of our audit we will prepare an Annual Audit Letter in order to communicate the key issues arising from our work to the Council and external stakeholders, including members of the public.

Audit phase	Timetable	Deliverable
High level planning:	April 2014	Fee Letter provided to the Chief Executive and Chairman of the Audit Committee in April 2014
Risk assessment and setting of scopes	March 2015	Audit Plan - Audit Committee March 2015
Update on progress and interim feedback	June 2015	Progress report - Audit Committee June 2015
Value for money conclusion	January - September 2015	Ongoing. Conclusion reported in Audit Results Report, see below
Year-end audit	July – September 2015	Report - Audit Committee September 2015 including: <ul style="list-style-type: none"> - Audit Results Report (including our opinion on the financial statements and a conclusion as to whether the Council has proper arrangements for securing economy, efficiency and effectiveness in its use of resources). - Audit completion certificate - Whole of Government Accounts certification
Reporting	October 2015	Annual Audit Letter – to members October 2015 and Audit Committee December 2015
Certification work	January 2016	2014/15 Certification of claims and returns annual report – Audit Committee January 2016

In addition to the above formal reporting and deliverables we will provide practical business insights and updates on regulatory matters through our Sector Briefings during the year.

Planning discussions

We will update our planning throughout the course of our audit to ensure we take into account any changes to the Council's significant risks or emerging audit issues.

Appendix A Audit Progress

Progress against key deliverables

Key deliverable	Timetable in plan	Status	Comments
2013-14 Certification of claims and returns annual report	January 2015	Completed	Reported to the Audit Committee - January 2015
Audit Plan	March 2015	Completed	Reported to the Audit Committee - March 2015
Annual Results Report to the Audit Committee	September 2015		
Auditor's Report (including opinion and vfm conclusion)	September 2015		
Audit Certificate	September 2015		
WGA Certificate	October 2015		
Annual Audit Letter	October 2015		
2014-15 Certification of claims and returns annual report	January 2016		

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