

# East Cambridgeshire District Council

Year ending 31 March 2015

Audit Progress Report

March 2015



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Corporate Governance & Finance Committee  
East Cambridgeshire District Council  
The Grange  
Nutholt Lane  
Ely  
CB7 4EE

3 March 2015

Dear Members,

## Audit Progress Report - 2014-15

We are pleased to attach our Audit Progress Report.

The purpose of this report is to provide the Corporate Governance & Finance Committee with an overview of the stage we have reached in your 2014-15 audit and ensure our audit is aligned with the Committee's service expectations.

Our audit will be 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 are also presenting our 2014-15 Audit Plan to this Committee. We are currently completing our walk throughs and some tests of controls and have continued to update our risk assessment. There are no new issues that we are required to communicate to you as a result of this work.

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 sincerely

Rob Murray  
Director  
For and behalf of Ernst & Young LLP

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In March 2010 the Audit Commission issued a revised version of the ‘Statement of responsibilities of auditors and audited bodies’ (Statement of responsibilities). It is available from the Chief Executive of each audited body and via the [Audit Commission's website](#).

The Statement of responsibilities serves as the formal terms of engagement between the Audit Commission's appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The Standing Guidance serves as our terms of appointment as auditors appointed by the Audit Commission. The Standing Guidance sets out additional requirements that auditors must comply with, over and above those set out in the Code of Audit Practice 2010 (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Audit Progress Report is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure – If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

# 1. Work completed

## 1.1 Meetings

We have held a number of meetings with key officers and other stakeholders as part of our ongoing audit process:

- ▶ June and November 2014 – Meetings with the Chief Executive and the Financial Services Manager to discuss the conduct of the audit for this year, and any audit risks.
- ▶ November 2014 – Meeting with the Financial Services Manager and Principal Auditor to discuss the conduct of the audit for this year, and any audit risks.
- ▶ Ongoing– regular meetings and correspondence with the finance team, plus interim audit visit.

## 1.2 Completion of walk throughs and test of control

We have nearly completed our walk throughs and some tests of control, placing reliance on the work of internal audit where possible.

Our work, so far, has not identified any issues that we need to bring to your attention as those charged with governance.

## 1.3 Value for money assessment

We have completed our initial risk assessment for our value for money work, and have not identified any significant risks where we need to undertake additional local risk based work.


## 2. Timetable

### 2.1 Corporate Governance & Finance 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 to you through the 2014-15 Corporate Governance & Finance Committee cycle.

We will provide formal reports to the Committee throughout our audit process as outlined below. Where required, we will issue an Interim Report, summarising the findings from our audit at that stage. From time to time matters may arise that require immediate communication with the Committee and we will discuss them with the Committee Chair as appropriate.

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

Audit phase	Timetable	Deliverables
High level planning:	December-February	Fee Letter (issued April 2014)
Risk assessment and setting of scopes	January-February	Audit Plan (March 2015)
Testing of routine processes and controls	March	Interim Report (if required)
Value for money conclusion	April -July	Report to those charged with governance (in September)
Year-end audit	July – August	Report to those charged with governance (in September)
		 <p>Audit report (including our opinion on the financial statements, and a conclusion as to whether the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources).</p> <p>Audit completion certificate</p> <p>Whole of Government Accounts Certification</p>
Reporting	October	Annual Audit Letter

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

## 2.2 Planning discussions

We issued our Fee letter in April 2014. We have concluded our planning discussions and we issued our Audit Plan for the March 2015 Corporate Governance & Finance Committee. We will continue to update our planning throughout the course of our audit process.

## Appendix A    Audit Progress

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*Progress against key deliverables*

Key deliverable	Timetable in plan	Status	Comments
Fee Letter	April 2014	Completed	Reported to Corporate Governance & Finance Committee in April 2014.
Audit Plan	December 2014 - February 2015	Completed	Reported to Corporate Governance & Finance Committee in March 2015.
Report to Those Charged with Governance	September 2015		
Audit Report (including opinion and vfm conclusion)	September 2015		
Audit Certificate	September 2015		
WGA Certificate	September 2015		
Annual Audit Letter	October 2015		

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