
Isle of Anglesey County Council Financial audit progress report to Audit Committee

July 2013

23 July 2013

Code of Audit and Inspection Practice and Statement of Responsibilities of Auditors and Audited Bodies

We perform our audit in accordance with the AGW's Code of Audit Practice (the Code), which was issued in April 2010. This is supported by the Statement of Responsibilities of Auditors and Audited Bodies, which was issued in May 2005. Both documents are available from the Chief Executive of each audited body. The purpose of the statement is to assist auditors and audited bodies by explaining where the responsibilities of auditors begin and end, and what is to be expected of the audited body in certain areas. Our reports and letters are prepared in the context of this statement and in accordance with the Code.

Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the audited body, and no responsibility is taken by auditors to any Member or officer in their individual capacity, or to any third party.

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2012/13 financial audit position statement

The purpose of this report is to provide management and the Audit Committee with an update on the financial audit's progress against the final key milestones set out in the 2012/13 Financial audit outline and in respect of grant certification work.

	Due date	Progress to date
Accounts		
Financial audit outline 2012/13	February 2013	Presented at the February Audit Committee. Re-presented at the July Audit Committee following final moderation of fee and for benefit of new committee members.
Interim review and planning of the accounts audit	March/April 2013	Interim visit undertaken and accounts audit planning completed.
Training for audit committee members	July 2013	Training provided on the role of external audit and the audit committee in relation to the Statement of Accounts
Financial statements testing	July - September 2013	Financial statements were received on 28 June. Audit fieldwork has now commenced.
Final accounts (ISA 260) report	September 2013	To be reported to the September 2013 Audit Committee meeting.
Audit opinion and completion certificate	September 2013	To be provided by the appointed auditor before the end of September 2013
Whole of government accounts	September 2013	To be completed and certified before the end of September 2013.
Annual letter	November 2013	To be issued to the Council before the end of November 2013.

2011/12 Statement of Accounts

We reported to the previous meeting of the Audit Committee that the Appointed Auditor did not issue a completion certificate because a local elector had made a number of objections to the accounts which required further information and investigation. We obtained further information from the Council and the elector and we undertook audit fieldwork to validate the evidence provided by the Council. We have now concluded on the outstanding matters in respect of this.

In order to issue the completion certificate, we were also required to revisit significant estimates in the accounts to satisfy ourselves in light of any subsequent events or information that the estimates were not materially misstated. We have undertaken this exercise and the completion certificate has been issued by the Appointed Auditor, Anthony Barrett.

Grants

2011/12 grants

We have now certified all of the 2011/12 claims with the exception of the Housing Benefit grant, which is in its final technical review phase. Our grants report provides further detail in this area.

2012/13 grants

We have started fieldwork on Communities First and Housing Benefit claims which have been provided by the Council. We anticipate undertaking further work across the course of the summer as the Council provides further claims for us to audit.

Liaison arrangements

with Internal Audit

We work closely with internal audit to produce an effective audit approach. We have reviewed the Internal Audit Operational Plan which contains the areas of work on core financial systems that we will use to inform our 2012/13 accounts work. We continue to meet with internal audit regularly alongside management.

with management

We continue to meet regularly with management in order to maintain our understanding of the key issues being faced by the Council in order to assess their impact on our audit approach. We continue to work with management following the implementation of the Civica accounting system and to continue the momentum of improvement noted during the 2011/12 accounts and audit process during our audit of the 2012/13 accounts.

with the WAO

We continue to work closely with the WAO and support them in their work in respect of the Local Government Measure.

We also attend regular meetings with the Appointed Auditor, Anthony Barrett and with other auditors of local authorities in Wales in the Local Government Practitioners Group which meets quarterly.

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