

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

21 June 2010

Report of the Director of Finance

Part 1- Public

Delegated

1 AUDIT COMMISSION - AUDIT OPINION PLAN 2009/10

The purpose of this report is to inform Members of the receipt of our Audit Opinion Plan for 2009/10.

1.1 Introduction

1.1.1 I have received from our District Auditor the Audit Opinion Plan for 2009/10

[Annex 1]. This sets out how the Auditor will carry out the audit of our accounts for 2009/10.

1.1.2 Members are reminded that the fee for the audit is £96,600, as indicated in the District Auditor's initial planning letter of 21 April 2009. Of this, £66,850 relates to the audit of the financial statements. There is a separate report elsewhere on the agenda relating to fees.

1.1.3 Members will note from the report that in setting the fee the District Auditor has have assumed that:

- the level of risk in relation to the audit of accounts is consistent with that for 2008/09; and
- Internal Audit undertakes appropriate work on all material systems which is complete and available for review at an agreed date prior to the commencement of the post-statements audit.

1.1.4 The report advises that if during the post-statements audit the auditor concludes that the level of risk has increased then he will be required to undertake additional work which is likely to result in an increased audit fee. Where this is the case, the auditor is, in the first instance, obliged to discuss this with me.

1.1.5 Details of how the audit will progress are set out in the report together with the key milestones and deadlines. The District Auditor is required to complete the audit and issue and opinion by 30 September 2010.

1.1.6 The outcome of the audit will be reported to the General Purposes Committee in September for final approval. I shall report again to the Audit Committee at its meeting on 12 October 2010 for information.

1.1.7 Trevor Greenlee, our Audit Manager, will be at the meeting to answer questions.

1.2 Legal Implications

1.2.1 As part of the statutory process to close our accounts we must note and accept the Audit Opinion Plan for 2009/10 and will continue to cooperate and work with our external auditors who serve us.

1.3 Financial and Value for Money Considerations

1.3.1 The cost of the work carried out by the District Auditor was as notified to us previously.

1.4 Risk Assessment

1.4.1 The Statement of Accounts is a statutory document and, therefore, failure to prepare and publish the Accounts in accordance with proper accounting practice and within the statutory timescale could adversely affect the Council.

1.5 Recommendations

1.5.1 Members are **RECOMMENDED** to note the Audit Opinion Plan for 2009/10.

Background papers:

contact: Sharon Shelton

Nil

Sharon Shelton
Director of Finance