

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

10 April 2012

Report of the Director of Finance

Part 1- Public

Delegated

1 AUDIT COMMISSION – AUDIT PLAN 2011/12

This report informs Members of the receipt of the Audit Plan 2011/12.

1.1 Introduction

- 1.1.1 I have received from our District Auditor the Audit Plan for 2011/12 [**Annex 1**]. The Plan sets out the audit work that the District Auditor proposes to undertake in respect of the audit of the financial statements and the value for money conclusion 2011/12.
- 1.1.2 The Plan is based on the Audit Commission's risk-based approach to audit planning. At this stage the District Auditor has not identified any significant risks in terms of his opinion on the accounts and identified the following significant risks relevant to the value for money conclusion: the external financial environment continues to be very challenging for all local authorities. Although the Council's underlying position is strong it faces a significant funding gap over a 10 year financial planning period.
- 1.1.3 The fee for the audit is £100,225 which represents a 5 per cent reduction on the audit fee for 2010/11. In setting the audit fee it has been assumed that:
- The risk in relation to the audit of the accounting statements and the risk in relation to the value for money conclusion are not significantly different to that identified.
 - Internal Audit meets professional standards and undertakes sufficient appropriate work on all systems that provide material figures.
 - The authority provides good quality working papers and records to support the accounting statements at the start of the audit.

- 1.1.4 Details of how the audit will progress are set out in the Plan, together with the key milestones and deadlines. The District Auditor is required to complete the audit and issue an opinion by 30 September 2012. The outcome of the audit will be reported to the meeting of the General Purposes Committee on 3 September for approval and to this Committee on 9 October 2012 for information.

1.2 Legal Implications

- 1.2.1 The current system for the audit of local bodies is operated and overseen by the Audit Commission under the provisions of the Audit Commission Act 1998 as amended.

1.3 Financial and Value for Money Considerations

- 1.3.1 As set out above.

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 Equality Impact Assessment

- 1.5.1 See 'Screening for equality impacts' table at end of report

1.6 Recommendations

- 1.6.1 Members are **RECOMMENDED** to note and endorse the Audit Plan for 2011/12.

Background papers:

contact: Sharon Shelton

Nil

Sharon Shelton
Director of Finance

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		Not applicable.

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.