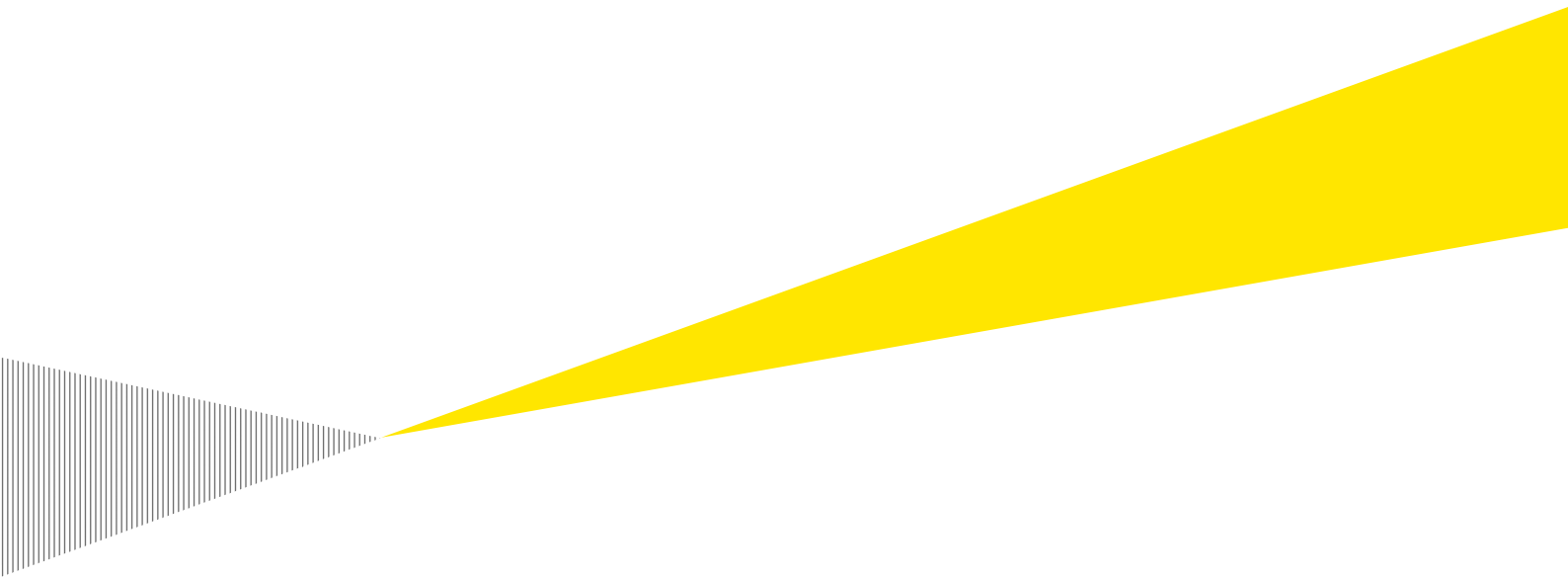


Havant Borough Council

Governance and Audit Committee Progress Report

2 December 2014



Building a better
working world

Governance and Audit Committee
Havant Borough Council
Public Service Plaza
Civic Centre Road
Havant
PO9 2AX

21 November 2014

Audit Progress Report

We are pleased to attach our Audit Progress Report.

It sets out the work we have completed since our last report to the Committee. Its purpose is to provide the Committee with an overview of the 2013/14 audit, and an outline of our draft timetable for the 2014/15 audit. This Progress Report is a key mechanism in ensuring that our audit is aligned with the Committee's service expectations.

Our audit is 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 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



Helen Thompson
Director
For and behalf of Ernst & Young LLP

Contents

Work completed	2
Work completed 2014/15	3
Timetable 2013/14	4
Timetable 2014/15	5

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 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.

Work completed 2013/14

Financial Statements

On 18 September 2014 we issued an unqualified audit opinion on the Council's financial statements.

Value for money assessment

On 18 September 2014 we issued an unqualified value for money conclusion.

Whole of government accounts

On 18 September 2014 we reported to the National Audit Office the results of our work performed in relation the accuracy of the Council's consolidation schedules. We did not identify any areas of concern.

Annual Audit Letter

We are presenting our Annual Audit Letter to today's Committee meeting.

Grant claim certification

We have started work on your housing benefit subsidy claim. The deadline for completion is 30 November 2014.

We will issue our annual report on the certification of claims and returns to the next Governance and Audit Committee.

This will complete our work on the 2013/14 audit.

Work completed 2014/15

Audit fee letter

We presented our audit fee letter for 2014/15 to the June 2014 Governance & Audit Committee.

We have included an outline timetable for next year's audit, and we have held some early discussions with the Corporate Accountancy Team Leader about how to improve the closedown process to reduce the number of issues arising from audit.

Timetable 2013/14

We set out below a timetable showing the key stages of the audit, including the value for money work, and the deliverables we will provide to you through the 2013/14 Governance and Audit Committee cycle. We will provide formal reports to the Committee throughout our audit process as outlined below.

Audit phase	EY Timetable	Deliverable	Associated Governance & Audit Committee	Status
High level planning	Ongoing	Audit Fee Letter	March 2013	Completed - Reported to the March 2013 Committee
Risk assessment and setting of scope of audit	Feb – April 2014	Audit Plan	June 2014	Completed - Reported to the June 2014 Committee
Testing of routine processes and controls	Feb – April 2014	Audit Plan	June 2014	Completed - Reported to the June 2014 Committee
Year-end audit	June - August 2014	Audit results report to those charged with governance 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) Whole of Government Accounts Submission to NAO based on their group audit instructions Audit Completion certificate	September 2014	Completed - Reported to the September 2014 Committee
Annual Reporting	October 2014	Annual Audit Letter	November 2014	Completed – Reported to the December 2014 Committee
Grant Claims	September – November 2014	Annual certification report	March 2015	

Timetable 2014/15

We set out below a timetable showing the key stages of the audit, including the value for money work, and the deliverables we will provide to you through the 2014/15 Governance and Audit Committee cycle. We will provide formal reports to the Committee throughout our audit process as outlined below.

Audit phase	EY Timetable	Deliverable	Associated Governance & Audit Committee	Status
High level planning	Ongoing	Audit Fee Letter	March 2014	Completed - Reported to the June 2014 Committee
Risk assessment and setting of scope of audit	Feb – April 2015	Audit Plan	June 2015	-
Testing of routine processes and controls and early substantive testing	Feb – April 2015	Audit Plan	June 2015	-
Year-end audit	June - August 2015	Audit results report to those charged with governance 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) Whole of Government Accounts Submission to NAO based on their group audit instructions Audit Completion certificate	September 2015	-
Annual Reporting	October 2015	Annual Audit Letter	December 2015	-

Grant Claims	September – November 2015	Annual certification report	February 2016	-
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