



**Mid Sussex District Council**

Year ending 31 March 2013

**Audit Progress Report**

June 2013

Audit Committee  
Mid Sussex District Council  
Oaklands  
Oaklands Road  
Haywards Heath  
West Sussex  
RH16 1SS

11 June 2013

Dear Members

## **Audit Progress Report - 2012/13**

We are pleased to attach our Audit Progress Report.

This report summarises the work we have undertaken to date since the presentation of our Audit Planning Report to the Committee on 19 March 2013.

The purpose of this report is to provide the Audit Committee with an overview of the stage we have reached in your 2012/13 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 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  
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# 1. Progress Update

Our Audit Planning Report, presented to the 19 March 2013 Audit Committee, included a timetable showing the key stages of the audit, which we replicate below.

Audit phase	Timetable	Audit Committee timetable	Deliverables
High level planning:	<b>December</b>	December Committee	Audit Fee letter
Risk assessment and setting of scopes	<b>January to March</b>	March Committee	Audit Plan
Testing of routine processes and controls	<b>March/April</b>		
Year-end audit	<b>July – September</b>	September Committee	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).  Audit completion certificate
	<b>October</b>		Annual Audit Letter

**Progress:**

We are on broadly track with the above timetable.

Our work in testing the Council’s routine processes and controls has been delayed until June. That delay allows us to place reliance on the full programme of Internal Audit testing for the year which continues to contribute to the efficiency of the audit.

The year-end audit is scheduled to take place over four weeks from 12 August 2013.

**Identified audit risks:**

Since the presentation of our Audit Planning Report, we have identified a further audit risk that we need to communicate to you.

Your officers attended our 2012/13 accounting workshops, and identified that they may have potentially incorrectly accounted for the Council’s participation in the CenSus partnership.

Other financial statement risks	Our audit approach
<p><b>Accounting for CenSus</b></p> <p>The Council has identified that in previous years it has not accounted for its participation in the CenSus partnership correctly.</p>	<p>Our approach will focus on:</p> <ul style="list-style-type: none"> <li>▶ reviewing the assessment made by the Council of whether its accounting is in accordance with the relevant accounting standards applied by the CIPFA Code of Local Authority Accounting 2012/13;</li> <li>▶ assessing the Council’s determination whether a prior period amendment may be required; and</li> <li>▶ reviewing the accounting treatment within the 2012/13 accounts.</li> </ul>

We have already undertaken work with your officers towards the first two bullet points, working together to gain a clear direction on the detailed partnership arrangements that affect the accounting, and the processes needed to underpin the preparation of your 2012/13 financial statements.

**Value for money assessment**

We have completed our initial risk assessment for our value for money work, resulting in the initial risk communicated to you in our Audit Planning Report.

We have not identified any further risks that we need to communicate to you.

**Grant claim certification**

We have not yet started any work on the certification of your claims which are:

- ▶ National Non Domestic Rates return (deadline 27 September 2013)
- ▶ Housing and Council Tax Benefits subsidy claim (deadline 30 November 2013).

## Appendix 1: Audit Progress

### *Progress against key deliverables*

<b>Key deliverable</b>	<b>Timetable</b>	<b>Status</b>	<b>Comments</b>
<b>Fee Letter</b>	December 2012	Completed	
<b>Audit Planning Report</b>	March 2013	Completed	Reported to 19 March 2013 Audit Committee
<b>Report to Those Charged with Governance</b>	September 2013		We plan to present this report to the September 2013 Audit Committee
<b>Audit Report (including opinion and vfm conclusion)</b>	September 2013		We plan to present this report to the September 2013 Audit Committee
<b>Audit Certificate</b>	September 2013		We plan to present this to the September 2013 Audit Committee
<b>WGA Certificate</b>	September 2013		Deadline is 5 October 2013. We plan to present this to the September 2013 Audit Committee
<b>Annual Audit Letter</b>	October 2013		We plan to present this to the November 2013 Audit Committee
<b>Report on the Certification of Grant Claims</b>			We plan to present this report to the March 2014 Audit Committee

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