



Oxford City Council
Year ending 31 March 2013
Audit Progress Report

14 February 2013

Audit & Governance Committee
Oxford City Council
Town Hall Offices
St Aldates
Oxford
OX1 1BX

14 February 2013

Dear Councillors

Audit Progress Report - 2012/13

We are pleased to attach our Audit Progress Report.

This Progress Report summarises the work we have undertaken to date since our appointment as your auditor on 1 September 2012. The purpose of this report is to provide the Audit and Governance 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 have issued our Audit Plan to this Audit and Governance Committee. We have completed some of our walk throughs and have continued to update our risk assessment. There are no new issues that we are required to communicate to you as a result of this work.

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

Maria Grindley
Director
For and behalf of Ernst & Young LLP
Enc

Contents

1. Work completed	2
2. Timetable.....	3
Appendix 1: Audit Progress	4

1. Work completed

Meetings

We have held a number of meetings with key officers as part of our ongoing audit process, including:

- An introductory meeting with the Director of Organisation Development and Corporate Services to outline on our audit approach.
- Regular meetings with key finance staff to discuss significant risks around the accounts, and updates on our work
- Regular meetings with the Director of Organisation Development and Corporate Services and Senior Finance Officers to discuss the significant risks faced by the Council.

Walk throughs and tests of control

We have begun our walk throughs and have reviewed the work of internal audit where completed and appropriate. To date our work has not identified any issues that we need to bring to your attention as those charged with governance.

Value for money assessment

We are completing our initial risk assessment for our value for money work in line with the Audit Commission's specified criteria and areas of focus. Once we have completed our assessment we will communicate to you any specific risks identified and any additional local risk-based work we may need to undertake as a result.

Grant claim certification

We have not yet started any work on the certification of your claims. We plan to start the audit of your housing benefit claim in June and your NNDR claim in August.

2. Timetable

Audit and Governance Committee Timeline

We have set out below a timetable showing the key stages of the audit, including the value for money work and the whole of government accounts, and the deliverables we have agreed to provide to you through the 2012/13 Audit and Governance Committee cycle.

We will provide formal reports to the Audit and Governance Committee throughout our audit process as outlined below. Where required, we will issue an Interim Report, summarising the findings from our audit at that stage. From time to time matters may arise that require immediate communication with the Audit and Governance Committee and we will discuss them with the Audit and Governance Committee Chair as appropriate.

Following the conclusion of our audit we will prepare an Annual Audit Letter in order to communicate to the Council and external stakeholders, including members of the public, the key issues arising from our work.

Audit phase	Timetable	Deliverables
High level planning:	December	Fee Letter
Risk assessment and setting of scopes	December/ January	
Testing of routine processes and controls	February/April	Audit Plan Progress Report (if required)
Value for money conclusion	February/April	
Year-end audit	July – September	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 Whole of Government Accounts Certification
Reporting	October	Annual Audit Letter
Grant claims	December	Report on the audit of grant claims

In addition to the above formal reporting and deliverables we will seek to provide practical business insights and updates on regulatory matters through our Sector Briefings.

Planning discussions

We concluded our planning discussions during January 2013. We have shared our draft 2012/13 Audit Plan with the Director of Organisation Development and Corporate Services and will bring our 2012/13 Audit Plan to the Audit and Governance Committee in February 2013. We will continue to update our planning throughout the course of our audit process.

Group audit instructions to functional body auditors

Once we have concluded the initial planning discussions with the group auditors of Barton LLP, we will issue Group Audit Instructions to ensure the efficient co-ordination of the audit across the group. We plan to issue these instructions by the end of March 2013.

Appendix 1: Audit Progress

Progress against key deliverables

Key deliverable	Timetable in plan	Status	Comments
Fee Letter	January 2013	Completed	Reported to TCWG February 2013
Audit Plan	January / February 2013	Completed	Reported to TCWG February 2013
Report to Those Charged with Governance	September 2013	not due	
Audit Report (including opinion and vfm conclusion)	September 2013	not due	
Audit Certificate	September 2013	not due	
WGA Certificate	October 2013	not due	
Annual Audit Letter	October 2013	not due	
Report on the Audit of Grant Claims	December 2013	not due	

Ernst & Young LLP

Assurance | Tax | Transaction | Advisory

www.ey.com/uk

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited

Ernst & Young LLP, 1 More London Place, London, SE1 2AF

© Ernst & Young LLP 2012. Published in the UK
All rights reserved

This page is intentionally left blank