

Audit Committee Update for Shropshire Council

Year ended 31 March 2014

February 2014

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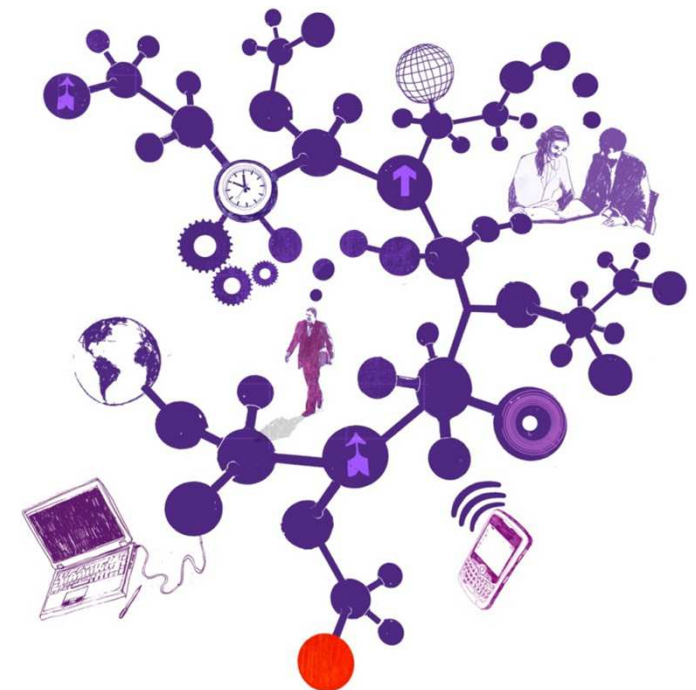
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Progress to date

Work	Planned date	Complete?	Comments
<p>2013-14 Accounts Audit Plan</p> <p>We are required to issue a detailed accounts audit plan to the Council setting out our proposed approach in order to give an opinion on the Council's 2013-14 financial statements and provide a value for money conclusion.</p>	February 2014	No	Regular meetings undertaken with the Chief Executive and Head of Finance, Governance and Assurance. From these and using results from our interim work where appropriate we have drafted our audit plan for 2013-14 and will agree with Officers and present to the next Audit Committee.
<p>Interim accounts audit</p> <p>Our interim fieldwork visit includes:</p> <ul style="list-style-type: none"> • updating our review of the Council's control environment • updating our understanding of your financial systems • review of Internal Audit reports on core financial systems • early work on emerging accounting issues • early substantive testing • proposed Value for Money conclusion. 	December 2013 – March 2014	No	<p>We have liaised with Internal Audit on their work for 2013-14.</p> <p>We have undertaken our initial on-site work at the Council which has informed the work plan for our follow up on-site work and our final accounts visit. We met with the Head of Financial Management & Reporting & Deputy S151 Officer in January 2014 to discuss and review the final accounts process in 2012-13 to identify improvements which will support the 2013-14 experience.</p> <p>We have meetings in place with key Directors to update our cumulative audit knowledge and understanding.</p>
<p>2013-14 final accounts audit</p> <p>Including:</p> <ul style="list-style-type: none"> • audit of the 2013-14 financial statements • proposed opinion on the Council's accounts • proposed Value for Money conclusion. 	June – September 2014	No	Not yet started.

Progress to date

Work	Planned date	Complete?	Comments
<p>Value for Money (VfM) conclusion</p> <p>The scope of our work to inform the 2013/14 VfM conclusion requires conclusions on whether:</p> <ul style="list-style-type: none"> • The organisation has proper arrangements in place for securing financial resilience. • The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness. 	<p>January – July 2014</p>	<p>No</p>	<p>There are no changes to the key criteria from last year. We will take into account updated guidance from the Audit Commission where appropriate. The areas of audit focus we anticipate at this time for 2013-14 will include reviewing the Council's progress in delivering:</p> <ul style="list-style-type: none"> • the required savings of £24m to support in year financial balance for 2013/14, and • its new Business Plan and Financial Strategy for achieving recurring financial balance, delivering the £80m funding gap identified and setting out the Council's plans for the next 3-5 years.
<p>Grant work</p> <p>We currently anticipate being required to certify the following grant claims related to the 2013-14 financial year:</p> <ul style="list-style-type: none"> • Pooling of Housing Capital Receipts • Teachers' Pensions, and • Housing and Council Tax Benefit Subsidy. <p>Following the changes to the business rates regime there is currently uncertainty as to whether we will be required to certify a National Non Domestic Rates (NNDR 3) return or its equivalent. Once we have clarity we will inform the Council.</p>	<p>July – November 2014</p>	<p>No</p>	<p>Work on 2013-14 claims and returns has not yet started. We anticipate meeting the certification deadlines on all 2012-13 claims and returns. Details of audit work and any key findings will be provided in our certification report which we expect to issue in December 2013.</p>
<p>Other areas of work</p> <ul style="list-style-type: none"> • Non-audit services • 2013-14 Pension Fund audit 		<p>Yes</p> <p>No</p>	<ul style="list-style-type: none"> • Our valuations department has completed work for the Head of Finance, Governance and Assurance • We have held a planning meeting with the Pensions Team and interim work is in progress. Primary reporting will be through the Pensions Committee.



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