



Audit Committee Update for Cheltenham Borough Council

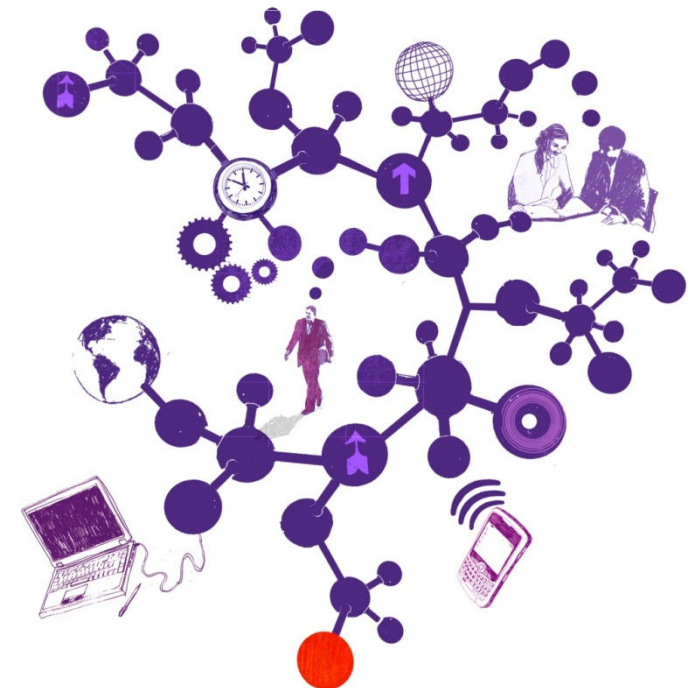
Year ended 31 March 2013

3 June 2013

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction

This paper provides the Audit Committee with a report on progress in delivering our responsibilities as your external auditors. The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you as a Borough Council
- includes a number of challenge questions in respect of these emerging issues which the Committee may wish to consider.

Members of the Audit Committee can find further useful material on our website www.grant-thornton.co.uk, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

- 'Local Government Governance Review 2012',
- 'The developing internal audit agenda',
- 'Preparing for the future',
- 'Surviving the storm: how resilient are local authorities?',
- 'Towards a tipping point?: Summary findings from our second year of financial health checks of English local authorities'

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Audit Manager.

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Progress at 4 March 2013

Work	Planned date	Complete?	Comments
<p>2012-13 Accounts Audit Plan We will issue a detailed accounts audit plan to the Council setting out our proposed approach in order to give an opinion on the Council's 2012-13 financial statements.</p>	12 March 2013	Yes	This was taken to the Audit Committee on 20 March 2013
<p>Interim accounts audit Our interim fieldwork visit will include:</p> <ul style="list-style-type: none"> •a review of the Council's control environment; •an update of our understanding of the key financial systems; •a review of Internal Audit reports on core financial systems; •early work on any emerging accounting issues; •early substantive testing; and •consideration of your Value for Money arrangements. 	26 February 2013	Yes	We completed the initial risk assessments for the opinion and Value for Money conclusion and our on site interim visit. At this stage no issues have arisen which require reporting to you.
<p>2012-13 final accounts audit Including:</p> <ul style="list-style-type: none"> •audit of the 2012-13 financial statements •proposed opinion on the Council's accounts 	August 2013	No	We will commence our on-site post-statements work on the 24 June 2013.

Progress at 4 March 2013

Work	Planned date	Complete?	Comments
<p>Value for Money (VfM) conclusion</p> <p>The scope of our work to inform the 2012/13 VFM conclusion comprises:</p> <ul style="list-style-type: none"> •a initial risk assessment; •a detailed review of arrangements against the criteria; •bringing forward knowledge form previous auditors; •reviewing key documents; and •discussion with officers. 	August 2013	No	<p>Our work will be focussed on the two criteria specified by the Audit Commission i.e.</p> <ul style="list-style-type: none"> -The organisation has proper arrangements in place for securing financial resilience; and -The organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness. <p>We will provide a report setting out the findings from our work on the Financial Resilience criteria. A brief discussion about savings was held with the Director of Resources</p>
<p>Other areas of work</p> <p>Certification and Claims including Housing Benefits</p>	September 2013	No	<p>We expect to carry out some work on the Housing Benefit claim in June 2013 and complete this work in September 2013.</p>



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