



**Oxfordshire County Council and Oxfordshire County  
Council Pension Fund**

Year ending 31 March 2013

**Audit Progress Reports**

April 2013

Audit and Governance Committee  
Oxfordshire County Council  
County Hall  
New Road  
Oxford  
OX1 1ND  
CO3 3WG

28 March 2013

Dear Councillor Wilmshurst

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

We are pleased to attach our Audit Progress Report. This report covers the audits of Oxfordshire County Council and Oxfordshire County Council Pension Fund.

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 audits and ensure our audits are aligned with the Committee's service expectations.

Our audits 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 issued our Audit Plans to the Audit and Governance Committee in April 2013 for this meeting. Since we commenced the audit we have completed our initial planning, started to document the key financial systems 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 have also agreed a detailed plan with Internal Audit to ensure that we can place reliance on their testing wherever appropriate.

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

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# 1. Work completed

## **Meetings**

We have held a number of meetings with the executives, key officers and other stakeholders as part of our ongoing audit process:

- November 2012 - Introductory meeting with Internal Audit to discuss audit approach and detailed liaison
- November 2012 - Introductory meeting with County Council finance team to discuss audit approach and key financial statement issues for the coming year.
- December 2012 – Introductory meeting with the Assistant Chief Executive and Chief Finance Officer and Deputy Chief Finance Officer to discuss the engagement team and outline on our audit approach.
- February 2013 – Introductory meeting with the Pension Fund team to discuss audit approach and key financial statement issues for the coming year.

## **Initial planning and risk assessment**

We have completed our initial planning and determined that we are able to rely on the control environment for both the County Council audit and the Pension Fund audit. We will update our risk assessments as the year progresses.

## **Walk throughs and tests of control**

We have documented most of the key financial systems, completed some of our walk throughs and identified tests of control. We have agreed a plan with Internal Audit that will ensure that walkthroughs and testing of controls are completed.

Our work has not identified any issues that we need to bring to your attention as those charged with governance.

## **Value for money assessment for the County Council**

We have completed our initial risk assessment for our value for money work against the Audit Commission's specified criteria and areas of focus. We have not identified any significant risks to date that we need to undertake additional local risk based work to address.

We will complete and update a detailed risk assessment across the audit. We will communicate to you any significant risks we have 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 Teachers Pension Claim in July 2013 and Employment Based Initial Teacher Training in the autumn.

## 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 a Management Letter in order to communicate to the Council and external stakeholders, including members of the public, the key issues arising from our work on both the County Council Audit and the Pension Fund Audit.

Audit phase	Timetable	timetable Audit & Governance Committee	Deliverables to Audit And Governance Committee
High level planning:	<b>November – December (County) January - February (Pension Fund)</b>	January	Audit Fee letter
Risk assessment and setting of scopes	<b>December – January (County) February (Pension Fund)</b>	April	Progress Report Audit Plan
Testing of routine processes and controls	<b>January - April</b>	July	Progress Report
Value for money conclusion (County)	<b>February -April</b>	July	Progress Report
Year-end audit including WGA	<b>July – September</b>	September	Reports to those charged with governance  Audit reports (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, plus Pension Fund opinions).  Audit completion certificate  Whole of Government Accounts Certification
Reporting	<b>November</b>	November	Management Letter
Grant claims	<b>July - November</b>	November	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.

## Appendix 1: Audit Progress

### *Progress against key deliverables*

Key deliverable	Timetable in plan	Status	Comments
Fee Letter	January 2013	Completed	Reported to January 2013 Audit and Governance Committee
Audit Plan	April 2013	Completed	Reported to April 2013 Audit and Governance Committee
Progress Report	April 2013	Completed	Reported to April 2013 Audit and Governance Committee
Progress Report	July 2013		
Report to Those Charged with Governance	September 2013		
Audit Report (including opinion and vfm conclusion)	September 2013		
Audit Certificate	September 2013		
WGA Certificate	September 2013		
Management Letter	October 2013		
Report on the Audit of Grant Claims	December 2013		

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