

REPORT TITLE EXTERNAL AUDIT PLAN FOR THE 2012/13 ACCOUNTS	
REPORT OF FINANCIAL ADVISER	
FOR SUBMISSION TO AUTHORITY MEETING	DATE 16 APRIL 2013
1. SUMMARY OF REPORT <p>This report introduces the Audit Plan for 2012/13 which has been prepared by KPMG in its capacity as the Authority's external auditor. The plan sets out the responsibilities of the external auditor and outlines its approach to the forthcoming audit.</p> <p>The external auditor will be in attendance at the meeting to deal with queries.</p>	
2. RECOMMENDATIONS <p>The Authority is requested to note this report.</p>	
Signed by the Financial Adviser:	
Date:	

3. Introduction and Background

3.1 Members will be aware that following the Government's announcement in 2010 that the Audit Commission's in-house audit function would be disbanded, the Commission was charged with managing the procurement of local public audit services from the private sector for a five year period commencing with the 2012/13 accounting year. The Authority is located in the London (North) area for which KPMG LLP submitted the successful tender.

3.2 The purpose of the Audit Plan is to set out the how KPMG will deliver the audit of the Authority's financial statements and its approach to value for money work for 2012/13.

4. Contents of the Plan

4.1 The Plan sets out the four key stages of the audit process beginning with planning in January and February through to issuing the Report to Those Charged with Governance (also referred to as the ISA 260 Report) in September 2013. The auditor will also review the Authority's Annual Governance Statement and its Whole of Government Accounts return. The ISA 260 Report will be presented to the September 2013 meeting of the Authority.

4.2 KPMG will report the details and resolution of any control and process issues identified during the initial work together with improvements required in an interim report to the June 2013 meeting of the Authority.

4.3 The Value for Money audit methodology in 2012/13 will remain unchanged from 2011/12 and will mainly comprise a review of the Authority's Annual Governance Statement.

4.4 The Annual Audit Letter summarises the outcomes of the audit and the key issues arising. It will be presented to the Authority's December 2013 meeting.

4.5 The proposed audit fee of £18,270 is in line with KPMG's Audit Fee Letter issued in September 2012. The fee is based on the assumption that that no additional work will be required. If KPMG have to undertake more work than was envisaged, additional fees will be charged.

4.6 The audit opinion is planned to be made by no later than 30 September 2013 and therefore arrangements will be made to report this to the Authority at its September meeting. In accordance with normal practice the external auditor will be invited to attend this meeting and present the audit findings.

5. Comments of the Legal Adviser

5.1 The Legal Adviser has been consulted and has no comments to add.

Local Government Act 1972 - Section 100 as amended

Documents used in the preparation of this report:-

KPMG - 2012/13 Audit Plan and 2012/13 Annual Audit Fee letter.

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