

Ryedale District Council

External Audit Progress Report

July 2012

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Summary of activity

We are pleased to present our progress report to the Audit and Governance Committee. This summarises the activities that we have completed since our report in March 2012.

Summary of activities	<p>Audit of financial statements</p> <p>Our audit planning visit has been completed and our audit plan is presented separately at this meeting. Our main audit visit commences on 2 July.</p> <p>Value for Money (“VFM”)</p> <p>Work is currently ongoing in this area and will be completed as part of the main audit work in the summer. The Commission has confirmed that it intends to issue a follow up to the national briefing “Tough Times” issued last year commenting on financial resilience within the sector. To inform this, auditors are required to submit a return to the Commission in July. The return will be discussed with management prior to submission.</p>
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Other matters	<p>Demise of Audit Commission</p> <p>Results of the outsourcing exercise in relation to the awarding of contracts to firms were announced in early March and 5 year contracts have been awarded.</p> <p>The Commission is currently consulting with all audited bodies on the appointment of their auditor for the audit of the 2012/13 and future years. Consistent with expectations, the Commission has proposed to extend Deloitte’s appointment as auditor for the Council.</p> <p>Appointments will take effect from 1 September 2012 but will not be confirmed until completion of the consultation so during the interim period, we continue in our appointment as interim auditors. The statutory terms of the interim auditors appointment limit their role to keeping a watching brief. The Commission therefore does not expect us to undertake any substantive audit work relating to 2012/13 unless there is an exceptional circumstance.</p> <p>Audit fees 2012/13</p> <p>The final scale fees were published in April 2012 and Ryedale’s fee for 2012/13 is set at £54,868, being a 40% reduction on the 2011/12 fee of £91,447. The Audit Commission have confirmed that the combination of outsourcing their in-house Audit Practice and internal efficiency savings means that they are able to pass on significant reductions in audit fees to audited bodies for 2012/13. The Commission has confirmed that these lower fees are fixed for five years irrespective of inflation.</p>
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