

Report to	Audit Committee
Date	5 April 2011
By	Chief Finance Officer and External Auditor
Title of Report	Opinion Audit Plan and Audit Fee 2011/12
Purpose of Report	To describe the work to be undertaken to audit the financial statements for 2010/11 and the audit fee for 2011/12

Recommendation: The Committee is recommended to note the Opinion Audit Plan and agree the proposed audit fee for 2011/12.

1. Introduction

- 1.1 The Audit Commission is responsible for undertaking the audit of the South Downs National Park Authority (SDNPA) 2010/11 financial statements and making a value for money assessment. The report sets out the basis for this work.
- 1.2 In 2011/12 the Audit Commission will continue to be responsible for the external audit of the SDNPA and the report sets out the fee being proposed for this work.

2. Opinion Audit Plan

- 2.1 **Appendix 1** sets out the Opinion Audit Plan for the 2010/11 Audit. This contains:
 - details of the responsibilities and approach of the auditor;
 - the fee level for the work (confirmed in September 2011 as £23,100);
 - the testing work to be undertaken during the audit of the financial statements;
 - key milestones and deadlines;
 - which items will be regarded as material; and
 - Specific risks identified to date.

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- 3.1 **Appendix 2** is a letter from the District Auditor outlining the work to be undertaken in 2011/12 and the proposed fee.

4. Resources

- 4.1 The cost of auditing the 2010/11 financial statements is part of the agreed audit fee and can be met from the approved budget.
- 4.2 The proposed fee for 2011/12 will be met from the draft budget for 2011/12.

5. Risk Management

- 5.1 There is a potential risk that the auditor's assumptions about the level of work required proves to be an underestimate and additional work is necessary. This may increase the costs to be charged.
- 5.2 **Appendix 2** identifies highlights a potential risk in relation to the agency arrangements with the local planning authorities.

6. Human Rights, Equalities, Health and Safety

6.1 There are no implications arising from this report.

7. External Consultees

7.1 None.

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Appendices	Appendix 1 - Opinion Audit Plan Appendix 2 – Audit Fee 2011/12