

# Opinion Audit Protocol

Cleveland Police Authority

Audit 2009/10

May 2010



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## Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
  - any third party.
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# Introduction

- 1 The Authority are required to prepare annual financial statements in accordance with proper practices. In the absence of specific directions from the Secretary of State, proper practices should be regarded as compliance with '*CIPFA's Code of Practice for Local Authority Accounting in Great Britain – A Statement of Recommended Practice*'.
- 2 We are required to audit the financial statements and to form an opinion as to whether they present fairly the financial position of the Authority at 31 March 2010 and its income and expenditure for the year then ended. If material adjustments to the accounts arise as a result of our audit, the Treasurer is required to report them to the Authority.
- 3 If the financial statements are not prepared correctly there is an increased risk that:
  - the Treasurer recommends for adoption to the Authority accounts which are not fairly stated;
  - material amendments to the accounts are made as a result of our audit; and
  - the Authority's financial position is misrepresented.
- 4 If the statement of accounts is not adequately supported by working papers and documentation there is an increased risk that:
  - we are not able to gain adequate audit assurance and will need to report the resulting uncertainty in our audit opinion;
  - uncorrected errors or significant procedural weaknesses will need to be reported to those charged with governance (the Police Authority Executive) in accordance with ISA 260;
  - we take additional time (at additional cost to the Authority) to undertake our audit; and
  - we make greater demands on the time of the Authority and Force's officers.

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# Background

- 5 In last year's financial statements the Authority incorporated the new requirements contained in CIPFA's Statement of Recommended Practice (SORP) 2008. We recognise that officers considered the new requirements at an early stage and discussed issues arising on an ongoing basis. We found that this process was helpful and worked well.
- 6 The 2008/09 financial statements were comprehensive and of a good standard and were well supported by working papers. We found officers helpful and responsive to the queries we raised, and we appreciated the assistance that was provided in enabling us to undertake our audit work effectively.
- 7 The aim of this Protocol is to set out the arrangements we have formally, so that we can further improve our respective arrangements to make the audit process as efficient as possible.

# Objectives

- 8 Our audit approach is structured to ensure that we meet both the Audit Commission's and the Authority's requirements by:
  - satisfying the requirements of the Audit Commission's Code of Audit Practice;
  - complying with the requirements of current legislation, ethical standards and international auditing standards applicable to the UK – the International Standards of Auditing - ISA (UK&I); and
  - carefully tailoring our audit to the circumstances of the Authority.
- 9 A key feature of this approach is the early planning of all our work and working closely with Authority and Force officers throughout the year to identify all relevant audit risks that we need to take into account.
- 10 The Audit Commission has also issued good practice guidance on the 'managed audit', an approach which seeks to minimise our audit input by placing maximum reliance on the Authority and Force's internal processes. This can only be achieved through effective 'joint working' between the Authority and the Commission.
- 11 This document formalises the joint working arrangements between the Authority and the Commission in respect of both the final accounts audit and the ongoing in-year working relationship. It is a form of agreement for mutual co-operation and exchange of information throughout the year and not just for the audit of final accounts.

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# Audit approach

- 12 As auditors in the public sector we give an independent opinion on the financial statements.
- 13 Our work must be undertaken in accordance with current legislation, ethical standards and international auditing standards applicable to the UK – the International Standards of Auditing UK and Ireland (ISA+). The Commission, along with other UK national auditing agencies has adopted the Audit Practices Board (APB) engagement standards and quality control standards as the basis of our approach to the audit of financial statements.
- 14 We are required to give an opinion on the material figures in the accounts. In order to do so we have therefore to identify the material figures, ascertain what systems gave rise to them, design and undertake tests that give, as efficiently as possible, adequate assurance that the figures are not materially misstated by using either substantive testing or controls testing or a combination of the two, undertake further post statement procedures as necessary to gain sufficient assurance and give an opinion, qualified or otherwise, as is appropriate.
- 15 In order to be able to do these things we need to understand the audited body, how it works and the wider environment it operates in, as well as understanding the regulatory infrastructure that surrounds our work. We must be able to:
  - plan our audit strategy;
  - identify material amounts in the accounts and the information systems that give rise to them;
  - identify opinion audit risk at the audited body level;
  - identify opinion audit risk at the information system level;
  - develop a testing strategy to gain assurances about those risks;
  - undertake pre-statement testing;
  - undertake post-statement testing; and
  - conclude on the audit evidence and give the opinion.
- 16 The concept of assurance applies to all of our opinion work. We seek reasonable assurance against the inherent risks of material misstatement in the financial statements to ensure that the financial statements give a 'true and fair view' (from 2009/10 audit), comply with statute and other applicable guidance and comply with all relevant accounting and disclosure requirements.
- 17 We also consider the findings and conclusions of Internal Audit and work closely with Internal Audit to ensure that our audit work is focused and avoids duplication.

## Audit approach

- 18 In order to obtain this assurance, we are required to carry out a number of mandatory tests at each audited body. This is supplemented by additional tests based on our risk assessment. The following tests are mandatory at all audits.
- Check that all required financial statements are included in accordance with the AB's financial reporting framework (ISA+ 200).
  - Confirm accounting policies are appropriate to the financial reporting framework, consistent with previous year or changes are disclosed (ISA+ 710).
  - Consider if disclosure requirements are in accordance with the financial reporting framework (ISA+ 330).
  - Review the annual governance statement and the evidence supporting the statements made.
  - Agree the financial statements to the ledger via trial balance (ISA+ 330).
  - Agree the prior year figures disclosed in the statements to last year's financial statements, ie opening balances (ISA+ 510 and 710).
  - Check a sample of material year end journals/transfers (ISA+ 330).
  - Obtain and review management representations (ISA+ 580).
  - Obtain and review evidence of existence or otherwise of post balance sheet events (ISA+ 560).
  - Review documentation and enquire of management as to the existence of any litigation or claims (ISA+ 501).
  - Test related party disclosures for completeness and accuracy (ISA+ 550).
  - Consider evidence of 'going concern' basis (ISA+ 570).
  - Check additions and consistency in and between statements.
  - Check cut off of income and expenditure to ensure accounting in correct year.
  - Check consistency of explanatory foreword and annual report (ISA+ 720).
  - Obtain direct confirmation of bank balances.
  - Review and check year end bank reconciliation.
  - If long term investments are material, obtain evidence of valuation and disclosure (ISA+ 501).
  - Obtain evidence of disclosure of segmental information in accordance with the AB's financial reporting framework (ISA+ 501).
  - Obtain evidence in support of FRS17 pension fund disclosures.
- 19 We supplement these mandatory tests with other specific tests designed to address risks identified during our audit and provide sufficient assurance to support our audit opinion.

**Materiality levels**

20 We have calculated materiality levels for Cleveland Police Authority as shown in Table 1.

**Table 1 Materiality level for Cleveland Police Authority**

	<b>Income and Expenditure Account and Balance Sheet</b>
Materiality calculation	£3.15m
Testing level	£1.57m
Trivial items threshold	£62k

- 21 It is important to recognise that our materiality calculation and testing levels are only a guide. We are required to consider the context of the errors as well as the value of the error. This means that we will consider some items of account that are below the calculated materiality level due to their sensitivity, and we determine this as part of our opinion planning process.
- 22 In practice, material items of account are usually made up of a number of transactions. We are required to test all individual transactions above the testing level. We then test a sample of other transactions from the rest of the item of account.
- 23 Errors identified below the trivial items threshold would not normally need to be reported to those charged with governance.

**Key milestones and deadlines**

- 24 The Authority is required to prepare the financial statements and arrange for them to be approved by those charged with governance by 30 June 2010 (for Cleveland Police this is the Police Authority Executive who have not delegated approval responsibility, although the accounts are presented to the Audit and Internal Control Panel for prior review and consideration). We should then complete our audit and issue our opinion by 30 September 2010.
- 25 The key stages in the process of producing and auditing the financial statements are shown in Table 2 which identifies the officers or auditors responsible at each stage.

## Audit approach

**Table 2 Key stages in the opinion audit process**

Task	Deadline	Responsible
Calling the audit	Letter issued 11 May. Audit to be called for 19 July.	Paul Heppell (AM)  Paul Kirkham (PK)
Approval of accounts	13 May 2010 24 May 2010 15 June 2010	Ann Hall (AH), Paul Kirkham (PK) Police Authority Executive
Completion of working papers and submission to the auditor	24 May 2010	AH, Claire Hinnigan (CH)
Start of detailed testing	7 June 2010	PH, Sandra Swan (SS), Nicola Barrett (NB) and other members of audit team as required.
Progress meetings	Weekly as appropriate	CH / SS (PH / AH / PK as appropriate)
Agreement of amendments and discussion of matters arising - discuss draft opinion and report to those charged with governance with officers	2 July 2010	PK / AH / PH / SS
Preparation of amended accounts	9 July 2010	CH / AH / PK
Issue agreed final report to those charged with governance (ISA 260 report)	16 July 2010	Lynne Snowball (LS) / PH
Consideration of amended accounts and presentation of proposed opinion and ISA 260 report by Audit & Internal Control Panel	<b>TBC</b>	AH / PK LS / PH
Approval of amended accounts and presentation of opinion and ISA 260 report	<b>TBC</b> <b>By 30</b> <b>September</b> <b>2010</b>	PK to present revised accounts LS / PH - present ISA 260 report
Agreement and issue of final accounts report	30 July 2010	PH / SS

Closure of audit	TBC	LS / PH
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### Principles of this protocol

- 26 The purpose of this protocol is to promote joint working and drive improvements in the preparation of and audit of the financial statements. It is recognised that this is a two way process requiring the commitment of and action by both officers and auditors. It is expected that we will learn from the process and make further improvements in future years.

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### What we will do

#### Pre-audit

- 27 We will ensure that the letter calling the audit is sent to you in sufficient time to enable you to place appropriate adverts in the local press.
- 28 We have already sent out, or will make available, or direct you to electronic copies of standard checklists as soon as they become available. You use these to carry out a self assessment of your compliance with accounting requirements, and these include the:
- accounts disclosure checklist (SORP Disclosure Checklist);
  - capital accounting checklist; and
  - capital financing checklist
  - relevant LAAP bulletins (e.g. numbers 84 & 85 recently provided)
- 29 We have agreed with you a schedule of working papers required to support the entries in the financial statements. This is a list of the working papers we require to support our opinion on the financial statements, and we recognise that you may produce additional/different working papers for your own requirements. This is not an exhaustive list of working paper requirements, and we reserve the right to request additional information as the need arises.
- 30 We will hold meetings with key officers to monitor your progress against your closedown plan.
- 31 We will discuss any technical issues that arise, and provide appropriate responses to any issues you raise with us.

#### During detailed testing

- 32 We will hold an initial meeting with you to allow you to brief us on the structure of your working papers and provide details of key contacts.
- 33 We will raise queries with you as they arise.

## Audit approach

- 34 Every week (or at appropriate intervals agreed during the audit) we will meet with the key contacts, as detailed in Table 2 above, and review progress and issues arising.

### Completing the audit

- 35 We will compile a list of issues arising for discussion
- 36 We will agree actions and adjustments required; in the later stages of the audit we will use a draft final accounts report to log issues and secure any actions needed.
- 37 We will prepare our audit opinion and report to those charged with governance (ISA 260 report) for presentation to the Authority.
- 38 We will prepare the final accounts report for discussion, and agree it for issue to the Assistant Chief Officer (Finance & Commissioning) and Treasurer to the Authority.

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## What we expect from you

- 39 We expect you to produce a set of financial statements that comply with the SORP and all relevant accounting practices. We expect you to discuss with us any areas of deviation from these practices.
- 40 If you become aware of any significant issues that impact on the financial statements (including any significant errors, omissions or irregularities that have come to light), you should inform us immediately and discuss these with us at an early stage.

### Pre-audit

- 41 Officers will:
- on receipt of the letter calling the audit, place appropriate adverts in the local press and provide us with a copy of these adverts;
  - arrange for the electronic checklists to be completed by officers with references to evidence supporting the responses (supported by electronic files wherever possible);
  - inform relevant officers of the working papers required to support the financial statements and agree timescales for their production and review by senior officers;
  - provide us with copies of closedown plans and keep us informed of any significant issues or potential slippage;
  - provide us with details of key officer availability throughout the period from the beginning of June to the end of July to allow us to plan our work around any scheduled absences; and
  - ensure that a complete set of draft financial statements are approved by the Police Authority Executive.

### During detailed testing

42 Officers will:

- provide a complete draft statement of accounts on 24 May, before the agreed date for the start of the audit (7 June), together with all supporting working papers and documentation (in electronic format wherever possible);
- deal appropriately with all audit queries (in principle all straightforward queries should be responded to within two or three days; it is recognised that more complex queries may take longer to address, but wherever possible there should be a substantive response to the queries raised that addresses all elements of the query);
- ensure that the key contacts will chase up any outstanding queries and discuss issues arising and matters that may require reporting and/or amendment to the financial statements; and
- respond promptly to issues raised in the draft ISA 260 report and final accounts report.

### Completing the audit

- 43 Following the meeting to discuss issues arising, the Treasurer will make appropriate amendments to the financial statements and arrange for them to be re-approved by the Police Authority Executive.
- 44 You will arrange for the report to those charged with governance to be included on the agenda:
- of the Audit and Internal Control Panel for their initial consideration
  - of the Police Authority Executive for their approval.
- 45 You will consider the draft final accounts report and respond within fourteen days to allow it to be finalised promptly.

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### Working papers

- 46 The working papers are important to an efficient and effective closure process; they provide:
- supporting evidence to the Asst Chief Officer (Finance & Commissioning) to refer them to the Treasurer for approval
  - evidence for the Treasurer to recommend them to the Police Authority Executive for approval
  - evidence to us to undertake our audit efficiently.
- 47 Officers will maintain a log of working papers to ensure that everything has been prepared properly and handed over to the auditor.

## Audit approach

- 48 The following are key principles which should be adopted when officers are producing working papers and supporting evidence.
- Working papers should be clear and concise; in particular, it should be clear how they relate to specific figures in the financial statements; the auditor should not have to work out how they agree to the figure in the financial statements, this should be clear in the working paper.
  - Officers should be challenging, considering whether working papers are fit for purpose and meet current requirements and amending the approach where they are not; for example, officers should ask whether a system reconciliation or a control account reconciliation makes logical sense given the nature of the figure being produced for the financial statements; officers should also ask whether the working paper complies with current accounting standards and requirements.
- 49 Working papers should be supportable by real evidence; for example, debtors and creditors should agree to some form of documentary evidence, including perhaps copies of invoices where possible.

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## Key contacts

- 50 The Audit Commission's key contacts for the opinion work are shown in the following table. In summary, the key contacts roles will be as follows.
- The District Auditor will issue the audit opinion and certificate in accordance with the agreed timetable but no later than 30 September 2010, except in exceptional circumstances.
  - The Audit Manager and Team Leader will keep the Force and Authority's key contacts informed of the progress of the audit and any significant audit findings as they arise.

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**Table 3      Audit Commission contacts**

Name	Title	Contact details
Lynne Snowball	District Auditor	0844 798 1670 or <a href="mailto:l-snowball@audit-commission.gov.uk">l-snowball@audit-commission.gov.uk</a>
Paul Heppell	Audit Manager	0844 798 1657 or <a href="mailto:p-heppell@audit-commission.gov.uk">p-heppell@audit-commission.gov.uk</a>
Sandra Swan	Principal Auditor and Team Leader	0844 798 4710 or <a href="mailto:s-swan@audit-commission.gov.uk">s-swan@audit-commission.gov.uk</a>

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- 51 The Authority / Force have nominated the following officers to act as key contacts for the opinion audit. The Audit Commission key contacts will keep the nominated

officers advised of any significant issues which could impact on the audit of the accounts.

**Table 4 Authority / Force contacts**

Name	Title	Contact details
Paul Kirkham	Treasurer	01642 301632 or paul.kirkham@cleveland.pnn.police.uk
Ann Hall	Asst Chief Officer (Finance & Commissioning)	01642 301700 or ann.hall@cleveland.pnn.police.uk
Claire Hinnigan	Corporate Finance Manager	01642 301708 or Claire.hinnigan@cleveland.pnn.police.uk

**The way forward**

52 The development of this protocol is part of an ongoing commitment to promote joint working. We will review the success of this arrangement at the conclusion of the audit and identify where further developments are possible.

# Appendix 1 – Example letter of representation

Draft management representation letter (ISA+580)

To: Lynne Snowball  
District Auditor  
Audit Commission  
Lion Court, Hanzard Drive  
Wynyard Business Park  
Wynyard

BILLINGHAM  
TS22 5FD

Dear Mrs Snowball

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## **Cleveland Police Authority - Audit for the year ended 31 March 2010**

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers of Cleveland Police Authority, the following representations given to you in connection with your audit of the Authority's financial statements for the year ended 31 March 2010.

### **Compliance with statutory authorities**

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice which present fairly the financial position and financial performance of the Authority and for making accurate representations to you. I confirm that the Authority adopted the draft accounts at the meeting of the Police Authority Executive on xxxxxx and that they were prepared on a going concern basis.

I believe that the amended financial statements are free from material misstatements, including omissions. I also believe that the aggregated effect of uncorrected financial misstatements identified during the audit is immaterial, both individually and in aggregate, to the financial statements taken as a whole.

### **Supporting records**

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Authority have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all committee meetings, have been made available to you.

### Irregularities

I acknowledge my responsibility for the design and implementation of internal control systems to prevent and detect fraud or error.

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with, or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements; and
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

### Law, regulations, contractual arrangements and codes of practice

There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Authority.

The Authority has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

### Fair Values

I confirm the reasonableness of the significant assumptions within the financial statements. For each assumption, I confirm:

- the appropriateness of the measurement method;
- the basis used by management to overcome the presumption under the financial reporting framework;
- the completeness and appropriateness under the financial reporting framework; and
- if subsequent events require/do not require adjustment to the fair value measurement.

## Appendix 1 – Example letter of representation

### Fixed assets

The net book values at which fixed assets are stated in the consolidated balance sheet are arrived at after taking account of:

- revaluations undertaken during the year;
- disposals during the year;
- impairments in value identified during the year, which have been carried out in accordance with the requirements of Financial Reporting Standard (FRS) 11 *'Impairment of Fixed Assets and Goodwill'*;
- all capital expenditure on additions during the year, but no expenditure properly chargeable to revenue; and
- depreciation, calculated on bases and at rates to reduce the value of each asset to its estimated residual value by the end of its estimated useful life.

Appropriate systems are in place to ensure that all tangible fixed assets are disclosed in the financial statements and to ensure that the Authority holds title to all fixed assets disclosed in the financial statements.

### Assets

The following have been properly recorded and, where appropriate, adequately disclosed in the financial statements:

- losses arising from sale and purchase commitments;
- agreements and options to buy back assets previously sold; and
- assets pledged as collateral.

### Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts.

### Contingent liabilities

There are no other contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements; and
- no financial guarantees have been given to third parties, other than those already disclosed in the financial statements.

### Related party transactions

I confirm the completeness of the information disclosed regarding the identification of related parties.

The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements.

### Group accounts

The Authority has not prepared group accounts as we believe that the amounts involved are not material to the fair presentation of the Authority's financial position or the understanding of the accounts by the reader.

### Post balance sheet events

Since the date of approval of the financial statements by the Police Authority Executive, no additional significant post balance sheet events have occurred which would require additional adjustment or disclosure in the financial statements.

The Authority has no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

### Insurance

I consider that there is adequate insurance cover for all major risks.

### Pension costs

We confirm that the Authority provided accurate information to the actuary for the purpose of calculating the required pension disclosures in accordance with FRS 17. There are no other material amounts relating to unfunded liabilities, curtailments or settlements of past service costs relating to pension provision other than those which have been properly recorded and disclosed in the financial statements.

## Appendix 1 – Example letter of representation

### Other representations

We confirm that:

- there are no known bad debts other than those already provided for in the financial statements;
- there are no known material weaknesses in internal controls not already disclosed in the Annual Governance Statement;
- all provisions and contingent liabilities have been identified and accounted for in accordance with FRS 12 and the Local Authority Statement of Recommended Practice (SORP);
- there are no known intangible assets other than those included in the financial statements;
- the Authority's registers of interest are complete and up to date in respect of members and senior staff; and
- the Authority has ensured that all members and senior staff are aware of the requirement to declare all interests relevant to the Authority, including interests of families, partners and entities controlled by them.

Signed on behalf of the Authority

Signed

Name Paul Kirkham

Position Treasurer

Date July 2010

# Appendix 2 – Guidance on analytical review (variance analysis)

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## What is analytical review?

- 1 Analytical review is a form of reasonableness test on the accounts. Figures are compared with:
  - what was budgeted;
  - what was expected; **and**
  - the corresponding figure for the previous year.
- 2 Explanations are then sought for any significant variances to demonstrate that these are not due to, for example, coding errors.
- 3 Without reasonableness tests, much more extensive audit testing of transactions would be required.

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## Identifying variances which require explanation

- 4 Initial guidance to identify variances requiring explanation has been provided on the schedule of working paper requirements.
- 5 It is not possible to give comprehensive guidance before the Authority's draft accounts are received. Review of the draft accounts may identify unexpected movements where an explanation is required. It may therefore be necessary to request explanations for a small number of additional items after the start of the audit.

### Providing explanations for variances

- 6 It is important that:
  - the variance is actually explained; and
  - explanations are fully supported by evidence.
- 7 A suggested approach (eg when comparing expenditure with a previous year figure) is therefore as follows.
  - Identify the relevant line on the financial statements for which an explanation is required.
  - For this line obtain an analysis of expenditure by financial code for both 2008/09 and 2009/10.
  - Review these analyses and identify the two or three individual codes that have the largest movement.
  - For these codes only, provide explanations (this might involve obtaining a further analysis to identify large journals etc).
  - Prepare file note recording explanation.
- 8 Supporting evidence is required for all explanations. A copy journal may help provide a trail, but is not in itself sufficient evidence for audit purposes.
- 9 Therefore relevant evidence could be:
  - a copy invoice;
  - a committee or other internal report, referring to the item;
  - copy correspondence; and
  - detailed calculation working papers to support journals.
- 10 Supporting evidence should include amounts to demonstrate that it explains the movement being investigated.
- 11 To provide a clear audit trail, evidence to support each of the steps above should be retained on file.

# Appendix 3 – Working Paper Guidance

- 1 We would expect all working papers to show clearly:
  - the entries in the statement of accounts to which they relate;
  - the date they were prepared and who prepared them;
  - the period the information on the working papers covers;
  - the name and version of the system from which they have been extracted; and
  - cross references to or copies of source documents.
- 2 The benefits of providing working papers in the format above is that it creates a clear audit trail of evidence to help us audit the figures in the statement of accounts. It minimises the time taken to audit the figures and also reduces the amount of officer contact time during the audit.
- 3 We would also like to recommend the practice of using working paper control sheets.
- 4 Our preference is for electronic control sheets to be provided with the electronic working papers where possible. For example as a worksheet in an excel file or a page at the front or end of a word document.
- 5 An example of the information that working paper control sheets could contain includes the following information.
  - Name of Audited and Inspected Body.
  - Title.
  - Date of the financial year.
  - Reference to the working paper it is covering.
  - Preparer name and contact details.
  - Date prepared.
  - Comments section.
  - Reviewer name.
  - Date of working paper review.
  - Comments section.

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# The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

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