

Leicestershire Police Authority

External audit progress report

Audit Committee 3 February 2009

We have prepared this summary to update the members of the Audit Committee with details of our progress since our last update to the Committee on 13 November 2008.

Audit for 2008/09

One of our regular progress meetings was held on 15 January 2009 with:

- Chris Smith (Treasurer of the Police Authority); and
- Chris Eyre (Deputy Chief Constable)

Paul Dawkins (Director of Finance) was unable to attend.

In addition to the above, we have had regular discussions with senior members of the finance team (Andrew Dale and Ruth Gilbert) regarding the planning and preparation for our interim (February/ March 2009) and final (June 2009) audit visits.

PwC Audit Team

As a result of Sara Bagnall (Engagement Manager) going on maternity leave from 1 March 2009, interim arrangements to cover Sara's absence have been put into place. We propose to cover the period of Sara's maternity leave with another experienced Manager - Sarah Swan - who will undertake the role of Engagement Manager for the remainder of the 2008/09 audit. Sarah is a manager within our Government and Public Sector Assurance practice with previous experience of working with police authorities.

Matthew Plummer will undertake the Team Lead role on the audit for the forthcoming year. Matthew also has previous experience of working with police authorities.

Working together with Internal Audit

We reported to the November 2008 Audit Committee meeting on how we were working with the Authority's internal auditors on a joint protocol setting out the working arrangements to be adopted between internal and external audit in order to ensure co-operation and co-ordination of our work. Following a change in Internal Audit Manager, we have been liaising with the new Internal Audit Manager (Doug Freeman) to agree the draft protocol developed with his predecessor. We are now in the final stages of agreeing the protocol.

International Financial Reporting Standards (IFRS)

The Authority currently prepares its financial statements in accordance with UK accounting standards. New regulations require that for the 2009/10 financial year, the Authority will be required to report its financial statements applying IFRS; these statements will also require comparative figures for the 2008/09 financial year to be restated onto an IFRS basis.

A meeting has been arranged for 22 January 2009 to provide key finance officers an opportunity to meet with a PwC IFRS expert together with key members of the audit team. The meeting is intended to:

- enable us to understand the progress that the Authority has made in planning for the transition to IFRS;
- to discuss the timetable and plans to reach the transition date; and
- to enable the Authority to identify any areas where it may require additional and/or external support.