

Audit Committee 27 September 2012

Review of the performance of the external auditor

Executive summary and recommendations

The National Audit Office (NAO) became the HCPC's sole external auditor for the first time for the 2009-10 financial accounts. In previous years, Baker Tilly had been the first tier of external audit, with the NAO reviewing the work conducted by Baker Tilly.

The NAO's performance as sole external auditor was first reviewed by the Audit Committee on 23 September 2010, using the NAO's client questionnaire, which had been completed by the Executive. The 2011-12 questionnaire is appended to the paper for information.

### **Decision**

The Committee is asked to agree:

- (1) that the performance of the National Audit Office as the external auditor over the past year should be reviewed at the meeting of the Committee to be held on 28 November 2012; and
- (2) the review should take the form of a paper including the NAO client questionnaire, completed by the Executive.

### **Background information**

Audit Committee, 23 September 2010, enclosure 15 (completed questionnaire on NAO's performance).

### **Resource implications**

None

### **Financial implications**

Payment of external audit fees.

### **Appendices**

National Audit Office client questionnaire.

### **Date of paper**

23 July 2012.



# National Audit Office

**THE AUDIT OF YOUR ANNUAL ACCOUNTS:  
AN INVITATION TO COMMENT**

**HEALTH PROFESSIONS COUNCIL  
2011-12 ACCOUNT  
C11116**

**Engagement Director: Kate Mathers**

**Engagement Manager: Martin Burgess**

<b>Name:</b>	
<b>Position:</b>	

Please annotate the appropriate boxes and provide comments if you wish.

**1. How would you rate the team’s understanding of your organisation including the key strategic risks that you face?**

<i>Very good</i>	<i>Fairly good</i>	<i>Fairly poor</i>	<i>Very poor</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

**2. How effective was the team in identifying each of the following?**

	<i>Very effective</i>	<i>Fairly effective</i>	<i>Not very effective</i>	<i>Not at all effective</i>
Appropriate significant audit risks in the Audit Planning Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appropriate and efficient audit responses to significant risks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

3. How satisfied or dissatisfied were you with the Audit Planning Report in terms of informing you of the audit approach and logistics?

<i>Very satisfied</i>	<i>Fairly satisfied</i>	<i>Fairly dissatisfied</i>	<i>Very dissatisfied</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

4. To what extent did the actual audit match the planned audit approach, as identified in the Audit Planning Report and through planning meetings with you?

<i>Completely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Barely at all</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

5. How do you rate the NAO audit team in terms of each of the following?

	<i>Very good</i>	<i>Fairly good</i>	<i>Fairly poor</i>	<i>Very poor</i>
Communication of audit findings during the course of the audit, including any emerging issues or identified errors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professionalism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Constructive approach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

6. To what extent was the NAO able to provide you with the desired level of audit staff continuity during the audit and over audit years?

<i>Completely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Barely at all</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

7. How do you rate the NAO client lead contact in terms of each of the following?

	<i>Very good</i>	<i>Fairly good</i>	<i>Fairly poor</i>	<i>Very poor</i>
Contribution to the audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professionalism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adding value to your organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leadership of the audit team	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

8. Did you feel the audit fee was set at an appropriate level for your organisation?

<i>Completely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Barely at all</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you wish to make further comments in support of your assessment please use the space below.

9. How satisfied or dissatisfied are you with the quality of the Audit Completion Report and/or management letter in terms of the following?

*Very      Fairly      Fairly      Very*  
*satisfied   satisfied   dissatisfied   dissatisfied*

Informing you of the findings, results and conclusions of the audit

                                                                

Promoting or reinforcing beneficial changes to your organisation

                                                                

If you wish to make further comments in support of your assessment please use the space below.

10(a). Did you request assistance from the audit team, either during the audit or at other times in the year?

*Yes*                                            *No*                     

If YES:

10(b). How satisfied or dissatisfied were you with the assistance you received?

*Very      Fairly      Fairly      Very*  
*satisfied   satisfied   dissatisfied   dissatisfied*

                                                                

If you wish to make further comments in support of your assessment please use the space below.

**11(a). Other than the audit and any value for money studies, has the NAO carried out any other work on your organisation?**

Yes  No

If YES:

**11(b). To what extent did this additional work add value for your organisation?**

<i>Completely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Barely at all</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If you wish to make further comments in support of your assessment please use the space below.**

**12. In what ways could we improve our audit to give you more effective audit of your financial statements?**

**12. In what areas do you feel the NAO could add value to your organisation beyond the core financial audit service?**

**13. Do you have any additional comments you wish to make, for example reflections from the Audit Committee or other members of the Executive Team.**