

TRANSPORT FOR LONDON

BOARD

**SUBJECT: REPORT FROM THE MEETING OF THE AUDIT COMMITTEE –
28 NOVEMBER 2011**

DATE: 7 DECEMBER 2011

1 PURPOSE AND DECISION REQUIRED

1.1 To report to the Board on the meeting of the Audit Committee held on 28 November 2011.

2 BACKGROUND

2.1 The main matters considered by the Committee were:

- (a) KPMG Report on Non-Audit Fees for Six Months Ended 30 September 2011;
- (b) Management Actions Report;
- (c) Final Internal Audit Reports – Quarter 2 2011/12; and
- (d) Changes in Accounting Standards Impacting on TfL.

3 ISSUES DISCUSSED

KPMG Report on Non-Audit Fees for Six Months Ended 30 September 2011

3.1 The Committee noted the fees billed by KPMG for non-audit services. The final amounts for the audit of Transport Trading Limited had yet to be agreed with TfL management and they would be submitted to a future meeting for approval.

Management Actions Report

3.2 The Committee considered a report on recommendations to management that had not been actioned and were more than 60 days overdue. There were no outstanding actions to report. The Director of Internal Audit was congratulated on the continued good performance.

Final Internal Audit Reports – Quarter 2 2011/12

3.3 The Committee noted the final audit reports issued in the second quarter of 2011/12. Appropriate actions were being taken to address the outstanding issues in respect of the one audit not closed.

Changes in Accounting Standards Impacting on TfL

- 3.4 The Committee noted the update on the Group's critical accounting policies to be applied in deriving the form and content of TfL's Statement of Accounts for the year ending 31 March 2012.

4 RECOMMENDATION

- 4.1 The Board is asked to NOTE the report.

5 CONTACT

- 5.1 Contact: Clive Walker, Director of Internal Audit
Number: 020 7126 3022
Email: CliveWalker@tfl.gov.uk