



## External Audit Annual Plan 2019-20

<b>Corporate Priority:</b>	Ensuring the right conditions to support delivery
<b>Relevant Ward Member(s):</b>	All
<b>Date of consultation with Ward Member(s):</b>	Choose date
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 To consider the proposed Audit Plan put forward the Council's external auditors. This sets out how the external auditor will carry out their responsibilities as auditor and their proposed audit approach and scope for the 2019/20 audit.
- 1.2 The plan summarises the auditor's initial assessment of key risks and outlines their planned audit strategy in response to those risks.

### 2 Recommendation(s)

That Audit and Standards Committee:

- 2.1 Approves the External Audit Plan for 2019/20;
- 2.2 Confirm its understanding of, and agreement to, the materiality and reporting levels set out in the plan;
- 2.3 Notes the delay to the timing of the audit of accounts and subsequent publication of the audited accounts.

### 3 Reason for Recommendations

- 3.1 To approve the scope of the 2019/20 external audit and the timescale for the work and subsequent finalisation and approval of the accounts.

## **4 Background**

- 4.1 The Council's Auditors are Ernst Young and they have been appointed by Public Sector Audit Appointments (PSAA). PSAA issue a statement of responsibilities setting out what is expected of the auditors and audited bodies with regard to the audit. The audit also needs to comply with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice as well as auditing standards and other professional requirements.

## **5 Main Considerations**

- 5.1 The external audit plan at Appendix 1 sets out the approach to the Statement of Accounts audit and value for money opinion for the financial year 2019/20. Ernst Young will present the Report and be available to answer questions at the meeting.
- 5.2 Members should particularly note the audit timetable set out on page 6 of the Audit Plan. This highlights that this Council's audit will be one of a number that will be scheduled for completion after 31st July 2020.

## **6 Options Considered**

- 6.1 There are no alternative options the Council is required to have an annual audit of its accounts.

## **7 Consultation**

- 7.1 The external auditor has consulted with officers in helping them to determine the risk profile of the Council which has fed into the audit plan. As part of the presentation of the report the external auditor will be consulting the Committee on the materiality levels related to the audit.

## **8 Next Steps – Implementation and Communication**

- 8.1 Following the conclusion of the audit an opinion to the accounts will be produced and an Audit Report submitted to this Committee with the final accounts.

## **9 Financial Implications**

- 9.1 The proposed audit fees are set out within the Audit Plan on page 32. This has been included within the budget however should any additional work or variation be required this will increase the fee.

**Financial Implications reviewed by: S151 Officer**

## 10 Legal and Governance Implications

10.1 The audit will comply with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice as well as auditing standards and other professional requirements.

**Legal Implications reviewed by: Monitoring Officer**

## 11 Equality and Safeguarding Implications

11.1 There are equality considerations required as a result of this Report.

## 12 Community Safety Implications

12.1 There are no specific community safety implications as a result of this Report.

## 13 Environmental and Climate Change Implications

13.1 There are no environmental or climate change implications as a result of this decision.

## 14 Other Implications (where significant)

14.1 There are no other implications as a result of this decision.

## 15 Risk & Mitigation

15.1 The risks that have influenced the external audit plan are set out in the Report.

## 16 Background Papers

16.1 There are no specific background papers.

## 17 Appendices

17.1 Appendix 1 - External Audit Plan 2019/20

<b>Report Author:</b>	Dawn Garton, Director for Corporate Services
<b>Report Author Contact Details:</b>	01664 502444 dgarton@melton.gov.uk
<b>Chief Officer Responsible:</b>	Dawn Garton, Director for Corporate Services
<b>Chief Officer Contact Details:</b>	01664 502444 dgarton@melton.gov.uk