

AUDIT AND GOVERNANCE COMMITTEE

27 March 2015

EXTERNAL AUDITOR - AUDIT STRATEGY MEMORANDUM 2014/2015

Report of the Director of Finance

1. Purpose of the Report

- 1.1 This report details the external auditor's Audit Plan which notifies the Council of the work that they are proposing to undertake in respect of the audit of the financial statements and the value for money conclusion for the financial year 2014/2015.

2. Audit Strategy 2014/2015

- 2.1 The attached Memorandum advises on the scope and nature of this work together with the scale of fee for the 2014/2015 audit and the assumptions that help to inform this charge to the Council.
- 2.2 It is noted that Mazars are to increase their audit fees to £181,032 which is an increase of £1,470 compared to last year's fees but this reflects the cost of additional work required across all Authorities on business rates. The paper also sets out the proposed fees for grant certification work of £10,300.
- 2.3 The Audit Strategy identifies the specific areas for the planned audit work based upon a risk assessment process. The key risk areas of work have been identified as those set out in pages 10 to 12 of the attached document and have been discussed with senior officers.
- 2.4 The document also sets out the protocol the auditors will follow in completing their planned work by providing an audit timeline of key phases of their work and also sets out their proposed methods of communication at each stage.
- 2.5 The auditors will be in attendance to outline the content of the document and to answer any questions that may arise.

3. Description of Decision

- 3.1 The Committee is recommended to note the contents of this report.

