REPORT TO:	AUDIT SUB COMMITTEE	AGENDA ITEM: 9

DATE OF MEETING:	21st MARCH 2018	CATEGORY: RECOMMENDED

OPEN

REPORT FROM:	EXTERNAL AUDITOR	

MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/audit/EY/audit plan cover

SUBJECT:	AUDIT PLANNING REPORT FOR THE YEAR ENDING 31st MARCH 2018	REF:

WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: AS 01

1.0 Recommendations

1.1 That the proposed Audit Plan for the year ending 31st March 2018 is considered and the proposed approach to undertaking audit work for the year is approved.

2.0 Purpose of Report

2.1 For Ernst and Young LLP, as the Council's appointed auditors, to present their Audit Plan and approach for the year ending 31st March 2018.

3.0 Detail

3.1 The Audit Plan sets out how the Council intends to carry out their responsibilities as auditor. Its purpose is to provide the Committee with a basis to review their proposed audit approach and scope for the 2017/18 audit in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2015 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements.

3.2 It is also to ensure that the audit is aligned with the Committee's service expectations.

3.3 The Plan summarises the Auditor's initial assessment of the key risks driving the development of an effective audit for the Council and outlines planned audit strategy in response to those risks.

4.0 Financial Implications

4.1 The Audit Plan provides an estimate of the fees that will be charged to the Council and how they are calculated. These fees will be contained in the Council's budget allocation for External Audit.

5.0 **<u>Corporate Implications</u>**

5.1 None directly.

6.0 **<u>Community Implications</u>**

6.1 None directly.

7.0 **<u>Background Papers</u>**

None