

# Agenda Item 6.

<b>TITLE</b>	<b>Audit Plan External Audit</b>
<b>FOR CONSIDERATION BY</b>	Audit Committee on 23 June 2015
<b>WARD</b>	None Specific
<b>DIRECTOR</b>	Graham Ebers, Director of Finance and Resources

## OUTCOME / BENEFITS TO THE COMMUNITY

The plan details the external audit work Ernst & Young proposes to undertake for the audit of financial statements for 2014/15. It also outlines the focus of Ernst & Young's work that needs to be carried out to enable a Value for Money Conclusion to be reached.

The work of Ernst & Young provides external validation of the Council's financial statements and Value for Money ensuring they provide a fair and accurate representation to stakeholders, including the Audit Committee.

## RECOMMENDATION

That the Audit Committee approves the Ernst & Young External Audit Plan for 2014/15.

## SUMMARY OF REPORT

The External Audit Plan provides information to the Audit Committee on the responsibilities of Ernst & Young, the audit approach they intend to adopt, their testing strategy and a timetable of their work and reporting deadlines.

## Background

External Audit is a key governance pillar and provides assurance over the accuracy of the council's financial position.

## Analysis of Issues

The audit committee should consider if the Audit Plan provides sufficient coverage of the key financial risks to the accuracy and reliability of the council's statement of accounts and Value for Money statement.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial	N/A	N/A	N/A

Year (Year 1)			
Next Financial Year (Year 2)	N/A	N/A	N/A
Following Financial Year (Year 3)	N/A	N/A	N/A

<b>Other financial information relevant to the Recommendation/Decision</b>

<b>Cross-Council Implications</b>
N/A

<b>Reasons for considering the report in Part 2</b>
None

<b>List of Background Papers</b>
Accounts and Audit Regulations 2011 apply

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