

# CHESHIRE EAST COUNCIL

## Audit and Governance Committee

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**Date of Meeting:** 28<sup>th</sup> March 2013  
**Report of:** Finance Manager  
**Subject/Title:** External Audit Plan 2012-13  
**Portfolio Holder:** Councillor Peter Raynes (Finance)

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### **1.0 Report Summary**

- 1.1 The Audit Plan for the year ending 31 March 2013 is set out in Appendix 1.

### **2.0 Recommendation**

- 2.1 That the Committee receive and comment on the Audit Plan for 2012/13.

### **3.0 Reasons for Recommendation**

- 3.1 The Audit Plan sets out the work that the Council's Auditors, Grant Thornton will be carrying out in their statutory audit on the Council's financial statements and arrangements for securing value for money.

### **4.0 Wards Affected**

- 4.1 Not applicable.

### **5.0 Local Ward Members**

- 5.1 Not applicable.

### **6.0 Policy Implications including – Carbon Reduction, Health**

- 6.1 None.

### **7.0 Financial Implications**

- 7.1 The Audit Plan sets out the audit work specified by the external auditors for the 2012-13 financial statements and the level of audit fees.

### **8.0 Legal Implications**

- 8.1 None.

## **9.0 Risk Management**

- 9.1 The report sets out the approach of Grant Thornton to completing a risk based audit whereby they will focus audit effort on those areas where they have identified a risk of material misstatement in the accounts.

## **10.0 Background and Options**

- 10.1 Grant Thornton has been appointed as the Council's independent external auditors by the Audit Commission. Their annual work programme is set in accordance with the Code of Audit Practice issued by the Audit Commission and includes nationally prescribed and locally determined work.
- 10.2 The Audit Plan outlines the audit strategy and plan to deliver the audit while the audit findings will be issued prior to approval of the financial statements and will present key issues and other matters arising from the audit, together with an explanation as to how these have been resolved.
- 10.3 The plan also contains a summary of some recent developments in local government finance that may have an impact on how the Council presents or prepares its financial statements. Those emerging issues are contained in the appendix to the plan.
- 10.4 In addition Grant Thornton have recently completed an annual review into local government governance which focuses on both the public face and the behind-the scenes process of governance.
- 10.5 A copy of the report entitled *Improving council governance – A slow burner* will be provided to members of the Committee and provides some practical advice on considerations that will improve the likelihood of achieving best practice in reporting to the public and in ensuring the effectiveness of the governance arrangements that support performance.
- 10.6 Grant Thornton will be attending the meeting to answer any questions raised by members on the Annual Audit Plan.

## **11.0 Access to Information**

The background papers relating to this report can be inspected by contacting:

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Appendix 1: Grant Thornton - The Audit Plan for Cheshire East Council