

# CHESHIRE EAST COUNCIL

## REPORT TO: AUDIT & GOVERNANCE COMMITTEE

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**Date of Meeting:** 16<sup>th</sup> March 2017  
**Report of:** Chief Operating Officer  
**Subject/Title:** Grant Thornton 2016/17 Audit Plan for Cheshire East Council  
**Portfolio Holder:** Councillor Peter Groves

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### **1.0 Report Summary**

1.1 The Audit Plan for the year ending 31 March 2017 is set out in Appendix 1.

### **2.0 Recommendation**

2.1 That members receive and comment on the Audit Plan for 2016/17.

### **3.0 Reasons for Recommendations**

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**

6.1 None.

### **7.0 Implications for Rural Communities**

7.1 None

### **8.0 Financial Implications**

8.1 The Audit Plan sets out the level of fees for the audit work specified by the external auditors.

8.2 The audit fees as set out on page 19 and 20 of the report and will be met from within the existing revenue budget.

## **9.0 Legal Implications**

9.1 There are no specific legal issues associated with this report.

## **10.0 Risk Management**

10.1 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.

## **11.0 Background and Options**

11.1 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.

11.2 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.

11.3 The Audit Plan sets out the key phases of the audit and provides details of the risk based approach to the work programme.

11.4 The Audit Plan sets out the requirements for the audit of the Group Accounts. The audit will consider the Council's assessment of the group boundary and the adequacy of the determination of those entities that are to be included within Group Accounts in 2016/17. The auditors will also review the approach to align the accounting policies, review the consolidation adjustments and assess whether the disclosures within the group financial statements are in accordance with the Code requirements.

11.5 Grant Thornton will be attending the meeting to answer any questions raised by members on the 2016/17 Audit Plan.

## **12.0 Access to Information**

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

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Appendix 1: Grant Thornton Certification Report 2016/17 for Cheshire East Council