

AGENDA ITEM:**SUMMARY**

WYCOMBE
DISTRICT COUNCIL

Report For:	Audit Committee
Meeting Date:	31st January 2019
Part:	Part 1 - Open
If Part 2, reason:	N/A

Title of Report:	Annual Audit Planning Report
Officer Contact: Direct Dial: Email:	David Skinner 01494 421322 David.skinner@wycombe.gov.uk
Ward(s) affected:	All
Reason for the Decision:	The report provides the Committee with the opportunity to see the work planned by the external auditors for the 2018/19 final accounts.
Proposed Decision/Recommendation:	That: (i) The Annual Audit Plan be considered and noted.
Sustainable Community Strategy/Council Priorities - Implications	Risk: Contained within the audit plan Equalities: None Health & Safety: None
Monitoring Officer/ S.151 Officer Comments	Monitoring Officer: As set out in the report, the Annual Audit Plan is designed to ensure compliance with 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, and to ensure that the external auditor's audit is aligned with the Committee's service expectations S.151 Officer: There are no direct financial implications arising from this report
Consultees:	N/A
Options:	N/A
Next Steps:	None
Background Papers:	None
Abbreviations:	IFRS – International Financial Reporting Standards

Appendices to this report are as follows:

Appendix A – Annual Audit Plan 2018/19

1. Detailed Report

The attached documents set out the initial plans for the 2018/19 audit by the Councils external auditors EY. The plans sets out the approach to the audit of the Council's Accounts and a broad timetable which should enable the whole process to be completed by the end of July.

The audit planning report sets out the following:-

- a)** Estimated overall planning materiality is £1.7m.
- b)** Main area of focus and associated risks as summarised below:
 - a.** Misstatements due to fraud or error
 - b.** Risk of fraud in revenue recognition – Incorrect classification of capital spend
 - c.** Property Valuations
 - d.** Pension Valuation
 - e.** New Accounting Standards. This is a new risk which has been identified in respect of the new accounting standard IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts which apply from 1st April 2018.
- c)** Value for money work will focus on Council's arrangements to take informed decisions; deploy resources in a sustainable manner and work with partners and other third parties. This year a potential significant risk has been identified as a result of Unitary authority announcement for Buckinghamshire as this may have an impact on Council's capacity to manage its operations as well as planning a smooth transition along with managing strategic risks and medium-term financial planning.
- d)** In terms of timetable, the interim audit will be carried out in February and the year-end audit will be done in June with audit result reported to the July committee along with the audited statement of accounts.
- e)** The indicative fees for the main audit work is £48k and for the certification work on Housing Benefit is £11k.