

## CAMBRIDGE CITY COUNCIL

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REPORT OF: Head Of Finance

TO: Civic Affairs Committee

17/02/2016

WARDS: None directly affected

### **EXTERNAL AUDIT 2015/16 AUDIT PLAN**

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#### **1 INTRODUCTION**

- 1.1 The attached Audit Plan (Appendix 1) from Ernst & Young (EY) summarises their approach to the audit of the financial statements and the value for money (VFM) conclusion for 2015/16.
- 1.2 The Plan also highlights what EY consider to be the most significant audit risks.
- 1.3 EY staff will be available to discuss their report and answer any detailed questions arising from it.

#### **2. RECOMMENDATIONS**

- 2.1 That the contents of the external audit plan are noted.

#### **3. BACKGROUND**

- 3.1 In line with the Audit Commission's Code of Audit Practice, Ernst & Young are required to review and report on the Council's
  - Financial statements;and
  - Arrangements for securing economy, efficiency and effectiveness in its use of resources to the extent required by the relevant legislation and the requirements of the Code of Audit Practice. (The "Value for Money" (VFM) conclusion)
- 3.2 The attached audit plan details the approach that EY will use in relation to the 2015/16 audit. It specifies the work they will undertake, when they anticipate undertaking this work and how they

will report their findings. It also details EY's assessment of the key risks with regard to the financial statements.

#### 4. **IMPLICATIONS**

- (a) **Financial Implications** The audit fee relating to the costs of the audit work is included within existing budgets.
- (b) **Staffing Implications** None
- (c) **Equal Opportunities Implications** None
- (d) **Environmental Implications** None
- (e) **Procurement** None
- (f) **Consultation and communication** None
- (g) **Community Safety** None

**BACKGROUND PAPERS:** The following are the background papers that were used in the preparation of this report:

N/A

The author and contact officer for queries on the report is Charity Main on extension 8152.

Report file: O:\accounts\Committee Reports & Papers\Civic  
Affairs\February 2016\Drafts\External Audit 2015-16 Audit  
Plan.docx

Date originated: 29 January 2016

Date of last revision: 29 January 2016