

BOROUGH OF KETTERING

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Report Originator	EY	Forward Plan Ref: N/A	
Wards Affected	All	10 th April 2019	
Title	EXTERNAL AUDIT REPORTS – FINANCIAL STATEMENTS AUDIT PLAN UPDATE		

1. PURPOSE OF REPORT

- 1.1 To present the changes to the 2018/19 Financial Statements Audit Plan following interim audit and initial planning work.

The report has been prepared by the Council's external auditor and a representative from EY will be at the meeting to present this report and answer Members' questions.

2. FINANCIAL STATEMENTS AUDIT PLAN

- 2.1 The Monitoring and Audit committee received the draft audit plan from the Council's external auditors (EY) at its meeting on 5th February 2019. This outlined the 2018/19 audit plan including audit risks, the scope of the audit and the audit timeline.
- 2.2 The external auditors were presented with the audit working papers outlined in their client schedule. The interim audit commenced on the 18th February 2019 and following this work no issues have been raised.
- 2.3 Following their initial planning phase EY have made two changes to the original audit plan that was presented to this Committee on 5th February, these changes are summarised below;

Risk / area of focus	Summary of risk outlined in the 05/02/2019 Audit Plan	Change
Accounting for the Collection Fund surplus	This risk reflects a proposal by Northamptonshire County Council to bring forward the timing and recognition of Collection Fund payments	Following external advice this is no longer being progressed.
Valuation of land and buildings including Council Dwellings and Investment Properties	The Valuation of Land and buildings reflect significant balances in the statement of accounts. There is a risk that estimation techniques under or overstate the asset balances.	No Change – However due to the value of the Council's Investment properties this has been separated out as a separate risk from the rest of the Council's Property Plant and Equipment assets.

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- 2.4 Members should note that at this stage these changes impact only on the audit plan and do not reflect an increase in risk to the Council.

3. **RECOMMENDATION**

- 3.1 That the Monitoring & Audit Committee receives a summary of the updates to the audit plan following the external auditor's initial planning work.

Background Papers:

Date: N/A

Contact Officer: Mark Dickenson

Previous Reports/Minutes:

External Audit - Financial Statements Audit Plan

Date: 05/02/2019