

**13 March 2017**

**Audit and Scrutiny Committee**

**External Audit Plan 2016/17**

**Report of:** *Ernst & Young*

**Wards Affected:** *None*

**This report is:** *Public*

**1. Executive Summary**

- 1.1 The Audit Plan sets out how Ernst & Young intend to carry out their responsibilities as the Council's External Auditor in auditing the final accounts for the financial year 2016/17.
- 1.2 This plan summarises our initial assessment of the key risks driving the development of an effective audit for the Council, and outlines our planned audit strategy in response to those risks.

**2. Recommendation(s)**

- 2.1 Members are requested to note the External Audit Plan 2016/17.**

**3. Introduction and Background**

- 3.1 The Audit Plan covers the work that is planned in order to provide the Council with:
  - An audit opinion on whether the financial statements of Brentwood Borough Council give a true and fair view of the financial position as at the end of 31 March 2017 and of the income and expenditure for the year then ended; and
  - A statutory conclusion on the Council's arrangements to secure economy, efficiency and effectiveness.

**4. Issue, Options and Analysis of Options**

- 4.1 The audit will consider several key inputs:

- Strategic, operational and financial risks relevant to the financial statements
- Developments in financial reporting and financial standards
- The quality of systems and processes.
- Changes in the business and regulatory environment.
- Management's views on all of the above.

4.2 The External Audit Plan 2016/17 is attached in Appendix A.

## **5. Reasons for Recommendation**

5.1 The Audit Plan will inform the statutory audit opinion.

## **6. Reference to Corporate Plan**

6.1 Good financial management underpins all priorities within the Corporate Plan.

## **7. Implications**

### **Financial Implications**

**Name & Title: John Chance, Finance Director**

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7.1 There are no direct financial implications arising from this report.

### **Legal Implications**

**Name & Title: Daniel Toohey, Monitoring Officer and Head of Legal Services**

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7.2 None.

## **8. Appendices to this report**

Appendix A – Audit Plan

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