

Audit and Performance Committee Report

Meeting:	Audit and Performance Committee
Date:	1st February 2018
Classification:	General Release
Title:	Grant Thornton Audit Plan for the Council's Financial Statements and the Pension Fund for the financial year 2017/18
Wards Affected:	All
Financial Summary:	Outlines the approach to be taken by Grant Thornton to auditing the Council's Financial Statements and the Pension Fund for the financial year 2017/18.
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1. Executive Summary

The external audit plan attached as **Appendix 1** outlines the work that Grant Thornton propose to undertake for the audit of the Council's Financial Statements and the Pension Fund for the financial year 2017/18. The plans are based upon Grant Thornton's risk based approach to audit planning. They reflect:

- The statutory requirements and proper practices with which the accounts are required to comply;
- A number of key areas of focus which are relevant to the Council's and the Pension Fund's local circumstances; and
- The Council's and the Pension Fund's local risks.

2. Recommendations

That the Committee considers and understands the basis on which Grant Thornton will be undertaking their audit of the Council's Financial Statements and the Pension Fund for the financial year 2017/18.

3. Reasons for Decision

These reports set out the audit framework and approach to be adopted by Grant Thornton for their audit of the Council's Financial Statements and the Pension Fund for the financial year 2017/18.

4. Background, including Policy Context

2017/18 Audit Plans

The Audit Plans outline the work that Grant Thornton proposes to undertake for the audit of the Council's Financial Statements and the Pension Fund for the financial year 2017/18. The report is split into the following key sections:

Introduction and headlines. This section sets out the scope and structure of the report including key messages.

Deep Business Understanding. This section documents Grant Thornton's understanding of the Council's business which informs their risk based approach.

Significant Risks Identified. This section reports risks which may require special audit attention because they have a higher risk of material misstatement in the accounts.

Reasonably Possible Risks Identified. This section documents other risks where there is a limited risk of material misstatement in the accounts in the view of Grant Thornton.

Other Matters. This sets out some other audit responsibilities.

Materiality. This sets out Grant Thornton's view of materiality which has been set at £20.103m which is comparable with the prior year figure of £20.901m.

Group scope audit and risk assessment. This section reports risks identified and audit approach to the Group Accounts which the council will have to prepare in 2017/18.

Value for Money (VFM) arrangements. This section identifies the approach to VFM work.

Audit Logistics, Fees and Audit Team. This details the Grant Thornton personnel who will be responsible for the audit of the 2017/18 Financial Statements and Pension Fund. In addition, audit fees payable are detailed.

Independence and Non-audit services. This section identifies key issues in respect of ensuring the integrity, objectivity and independence of the firm.

5. Financial Implications

There are no direct financial obligations arising from this report other than audit fees payable.

6. Legal Implications

There are no direct legal obligations arising from this report.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

Steven Mair at smair@westminster.gov.uk or 0207 641 2904

BACKGROUND PAPERS

WCC Pension Fund Audit Plan 2017-18

Westminster City Council Audit Plan 2017-18