

EXTERNAL AUDIT PLAN

Executive Summary

One of the Committee's roles and functions is to consider the Council's External Auditor's Audit Plan.

The Council has new External Auditors for 2018-19 as appointed through the Public Sector Audit Appointments (PSAA) procurement process. In December 2017, following a consultation period, Moore Stephens were appointed as the Council's auditors from 1 April 2018.

The PSAA only awarded Moore Stephens the audits of Woking Borough Council and Runnymede Borough Council with the majority of the contract being awarded across Grant Thornton, EY, Mazars, BDO and Deloitte.

In November 2018 it was reported in the press that Moore Stephens and BDO were in merger discussions. This resulted in the merger of BDO and Moore Stephens LLP on 1 February 2019. Not all of the Moore Stephens offices are included in the merger, but it does include the London office which was to resource the Woking and Runnymede audits.

The PSAA have been working with BDO and Moore Stephens to ensure that there is a contract in place to provide for the Woking 2018/19 audit of accounts. The Council has been consulted on the appointment of BDO to replace Moore Stephens and it is expected that this will be confirmed following the PSAA Board meeting on 26 February. BDO have confirmed they are able to take on the audits of Woking and Runnymede and have identified a partner to lead those audits. The audit teams have moved from Moore Stephens to BDO and will remain as previously planned.

During the transition period the new BDO team have been on site for 2 weeks from 11 February as previously scheduled by Moore Stephens, to complete planning work. The Audit Manager has confirmed that this has gone well and good progress has been made. However, it has not been possible for BDO to complete the Audit Plan, nor will they be available to attend the Standards and Audit meeting on 7 March.

It is expected that the Audit Plan will be completed by the end of March, which allows time for the Finance Director to meet with the new Audit Partner to discuss any issues arising from the planning work, new developments at Woking and to review the draft Plan when available. As the next meeting of this committee is not until July when the audit is expected to be complete, it is proposed that the Finance Director sends the agreed plan to Members of the Committee as soon as it is available. Any comments from members of the Committee can be addressed outside of the meeting and BDO will attend the next meeting on 18 July to report on the 2018-19 audit having completed the detailed work on the statement of accounts.

Recommendations

The Committee is requested to:

RESOLVE That the proposals for the consideration of the 2018-19 External Audit Plan be agreed.

The Committee has the authority to determine the recommendation set out above.

Background Papers: None.

Reporting Person: Leigh Clarke, Finance Director
Email: leigh.clarke@woking.gov.uk, Extn: 3277

Contact Person: Leigh Clarke, Finance Director
Email: leigh.clarke@woking.gov.uk, Extn: 3277

Date Published: 27 February 2019