



AUDIT COMMITTEE

27 JUNE 2019

EXTERNAL AUDIT FEE 2019/20

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Summary

This report and attachment sets out the proposed fee for the external audit for 2019/20.

1. Budget and Policy Framework

- 1.1. International Standards on Auditing require the audit plan to be communicated to 'those charged with governance'. The terms of reference for this Committee include: discussions with the external auditor on new accounting standards, changes to the reporting framework and the basis of the annual audit, including the content of performance work.

2. Background

- 2.1. Grant Thornton have been appointed by Public Sector Audit Appointments Limited (PSAA) as auditors of Medway Council for 2019/20.

3. Risk management

- 3.1. The audit planning process for 2019/20 including Grant Thornton's risk assessment will take place as the audit of 2018/19 is completed and throughout 2019/20.

4. Financial implications

- 4.1. The fees for the core audit for 2019/20 have been set PSAA and for Medway Council this remains at the same level as in 2018/19, at £109,687.
- 4.2. As in 2018/19, grant work falls outside the PSAA contract and is subject to separate agreement between the auditors and the grant-paying body. The fees for grant audit work are payable by the Council but are not included in the amount advised in 4.1 above.

5. Legal implications

5.1. There are no direct legal implications arising from this report.

6. Recommendations

6.1. The Audit Committee notes the fees for the core audit for 2019/20.

Lead officer contact

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Appendices

Appendix 1 – Planned Audit Fee Letter for 2019/20 from Grant Thornton

Background papers

None