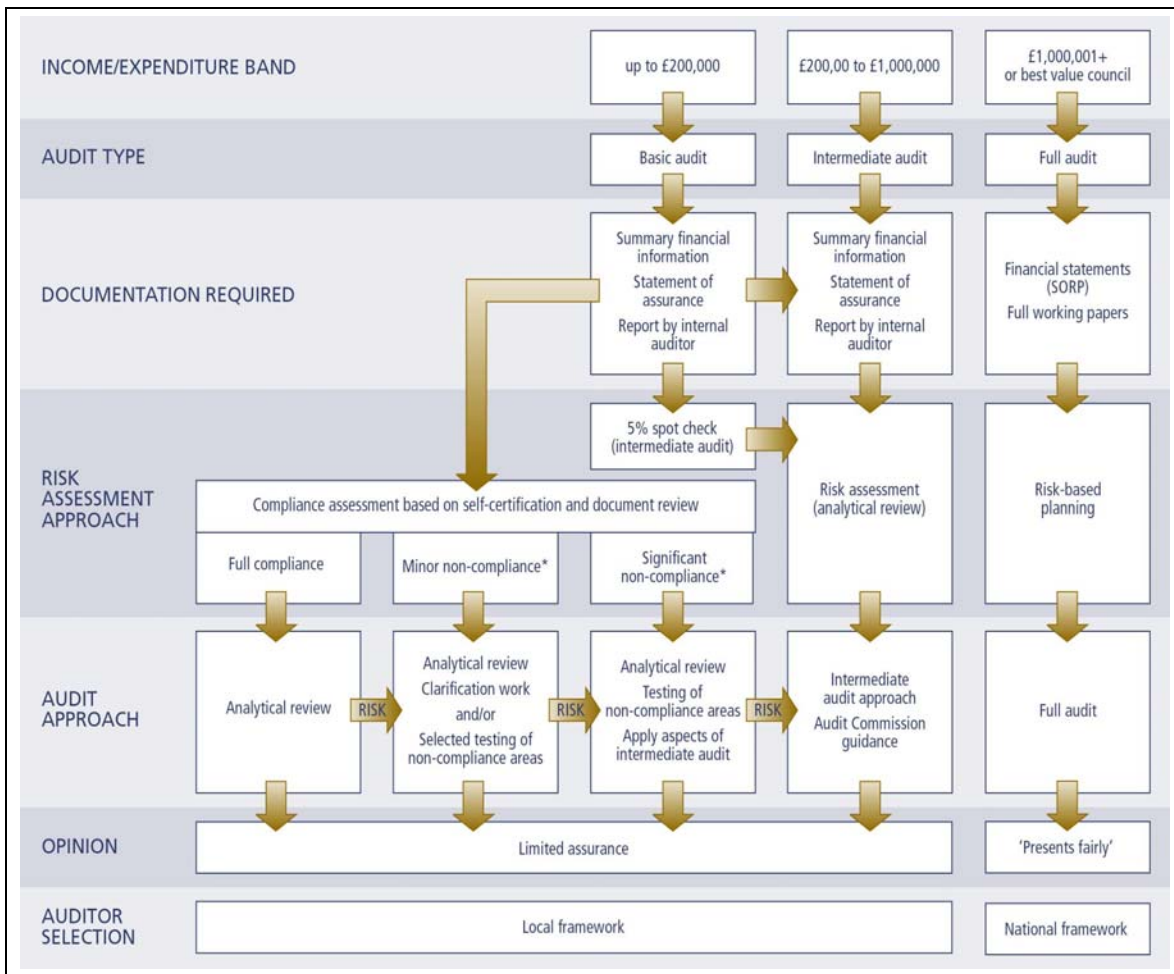

Appendix 3 – The approach to the audit of local councils in England

- 1 The limited assurance audit approach distinguishes between three types of local council:
 - councils with annual income or expenditure of £1 million or more (Group A);
 - councils with neither annual income or expenditure in excess of £1 million (Group B); and
 - councils with neither annual income nor expenditure exceeding £200,000 (Group C).
- 2 The exhibit below describes the new audit approach to each of the three groups.

Figure 1 Exhibit Local council audit – model of delivery



*Non-compliance indicates the presence of unmitigated risk factors which will lead to a more intensive audit as required