

Report to: Audit Committee

Date of meeting: 28 March 2024

By: Chief Finance Officer

Title: External Audit Plan 2023/24

Purpose: To inform the Audit Committee of the content of the Council's External Audit Plan for 2023/24

RECOMMENDATION:

The Audit Committee is recommended to consider and comment on the External Audit Plan for 2023/24.

1. Background

1.1 The External Audit Plan provides an overview of the planned scope and timing of the statutory audit of the Council's accounts and identifies any significant risks. Grant Thornton (GT), as the Council's external auditors, must form and express an opinion on the financial statements for the Council.

2. 2023/24 Financial Statements

2.1 The External Audit Plan for 2023/24 (Appendix 1) identifies a number of risks that require audit consideration as they could potentially cause a material error in the financial statements. These have not changed from the 2022/23 audit and are:

- ISA240: Fraudulent revenue recognition (this presumed risk has been rebutted);
- Fraudulent expenditure recognition (this presumed risk has been rebutted);
- Management override of controls (journals, estimates and transactions);
- Valuation of land and buildings;
- Valuation of Pension Fund net liability.

2.2 No significant Value for Money weaknesses have been identified during GT's initial planning work. Further information will be requested at a later point.

2.3 The proposed timeline is to undertake the year end audit during June to September 2024, reporting a draft Auditor's Report to the Audit Committee on 20 September 2024, with the Auditor's Annual Report to the Audit Committee on 22 November 2024. The draft statement of accounts for 2023/24 will be published by 31 May 2024.

2.4 The proposed audit fee for 2023/24 is £275,046. The proposed fees, including variations, for 2022/23 is £127,055, this has yet to be reviewed and confirmed by the Public Sector Audit Appointment (PSAA) Ltd. The increase in fees reflects the outcome of PSAA procurement activity, which has seen a significant increase in fees for local authority audits.

3. Conclusion and Recommendation

3.1 The External Audit Plan provides an overview of the planned scope and timing of the statutory audit of the Council's 2023/24 accounts and identifies any significant risks. The plan is presented to the Audit Committee for consideration and comment, before going to Cabinet.

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Chief Finance Officer

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Background Documents

None