

**Report to:** Cabinet

**Date of meeting:** 22 April 2025

**By:** Chief Finance Officer

**Title:** External Audit Plan 2024/25

**Purpose:** To inform Cabinet of the content of the Council's External Audit Plan for 2024/25

---

## **RECOMMENDATION:**

**Cabinet is recommended to approve the content of the External Audit Plan for 2024/25.**

---

### **1. Background**

1.1 The External Audit Plan for 2024/25 (Appendix 1) 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. Supporting information**

#### *2024/25 Financial Statements*

2.1 The External Audit Plan identifies a number of risks that require audit consideration as they could potentially cause a material error in the financial statements. These are:

- ISA (UK) 240: Management override of controls: there is a non-rebuttable presumed risk that the risk of management override of controls is present in all entities;
- The revenue cycle includes fraudulent transactions; under ISA (UK) 240 there is a presumed risk that revenue maybe misstated due to the improper recognition of revenue (this presumed risk has been rebutted);
- The expenditure cycle includes fraudulent transactions. Under Practice Notice 10 there is a requirement to consider the risk that expenditure may be misstated due to the improper recognition of expenditure;
- Valuation of land and buildings;
- Valuation of Pension Fund net asset/liability – the assumptions applied by the professional actuary in their calculation.

2.2 The plan sets out the audit procedures that will be undertaken to address the risks set out in 2.1.

2.3 The plan sets out the approach GT will take in providing the Value for Money assessment. Interim work has highlighted a significant weakness with regard to Financial Sustainability. This is no surprise given the financial challenges the Council faces, and the report sets out the additional risk-based procedures that will be undertaken to assess what weaknesses do exist. A separate Annual Value For Money Report will be provided in due course.

2.4 The proposed timeline is to undertake the year end audit between October to December 2025, reporting an update to the Audit Committee on 21 November 2025, with the Auditor's Annual Report to the Audit Committee on 13 February 2026. Whilst the statutory deadline for the publication of the draft

2024/25 statement of accounts for public inspection is 30 June 2025, it is planned to publish by 31 May 2025, although the implementation of the new Oracle Fusion financial system may impact on this timeline.

2.5 The proposed audit fee, before variations, for 2024/25 is £292,486 (2023/24 - £279,996). The fees are set through contract management and procurement by Public Sector Audit Appointments (PSAA).

### **3. Conclusion and reasons for recommendation**

3.1 The External Audit Plan provides an overview of the planned scope and timing of the statutory audit of the Council's 2024/25 accounts and identifies any significant risks. Cabinet is recommended to approve the 2024/25 audit plan, as set out in Appendix 1.

**IAN GUTSELL**  
**Chief Finance Officer**

Contact Officer: Ian Gutsell, Chief Finance Officer  
Tel. No: 01273 481399  
Email: [ian.gutsell@eastsussex.gov.uk](mailto:ian.gutsell@eastsussex.gov.uk)