

20 February 2024

External Audit – Informing the audit risk assessment 2023/24

Ward(s): All

Portfolios: Lead Portfolio – Finance (Leader of the Council), All

Purpose: Review

1. Aim

- 1.1 To provide Audit Committee with the external audit risk assessment for 2023/24.

2. Summary

- 2.1 This report provides the management responses to Grant Thornton's annual audit risk assessment for the 2023/24 financial year for Audit Committee's consideration.

3. Recommendations

- 3.1 Audit Committee is requested to consider and comment on the management responses to the series of questions set out in Appendix 1.

4. Report detail – know

- 4.1 Audit arrangements require Grant Thornton (our external auditors) to formally update their understanding of management's processes and arrangements annually. As part of their work Grant Thornton are required to obtain an understanding of these including in relation to:

- General enquiries of management
- Fraud risk assessment
- Impact of laws and regulations
- Going concern considerations
- Related parties
- Accounting estimates

- 4.2 Grant Thornton have formally requested responses from the council to a number of questions covering the areas set out above which are attached as Appendix 1.

- 4.3 This document is used by Grant Thornton to help plan the year end audit by deciding which areas present the highest risk.

- 4.4 Details of which officers provided responses to these queries and who has reviewed these, are available as Appendix 3. The draft report (Informing the audit risk assessment) was presented to Corporate Management Team (CMT) on 8 February for review and agreement. Appendix 2 details further questions and responses in relation to accounting estimates.

5. Financial information

- 5.1 There are none directly related to this report.

6. Reducing Inequalities

- 6.1 Risk management enables delivery of the Corporate Plan objectives, a key driver of which is reducing inequalities.

7. Decide

- 7.1 Audit Committee should consider the management responses and whether these are consistent with its understanding.

8. Respond

- 8.1 Audit Committee may wish to consider whether there are any further comments it wishes to make.

9. Review

- 9.1 Any significant comments can be reflected in a revised management response to Grant Thornton.

Background papers

CIPFA Code of Practice on Local Authority Accounting
Various council Codes and Practices
Internal Audit Plan

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