



REPORT TO: AUDIT AND SCRUTINY COMMITTEE ON 14 OCTOBER 2020

SUBJECT: EXTERNAL AUDIT PLAN FOR THE YEAR ENDING 31 MARCH 2020

BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND ORGANISATIONAL DEVELOPMENT)

1. REASON FOR REPORT

- 1.1 To provide Committee with a copy of the External Auditor's annual plan for 2019/20.
- 1.2 This report is submitted to Committee in terms of Section III (I) (8) of the Council's scheme of administration relating to consideration of reports prepared by the Council's External Auditor.

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee consider and note the contents of the External Auditor's annual audit plan for 2019/20, noting that, as a consequence of the pandemic and in line with a revised timetable agreed for all Scottish local authorities, the date for reporting on the audit of the annual financial statements has been extended by two months to the end of November 2020.**

3. BACKGROUND

- 3.1 An annual audit plan has been received from Audit Scotland and is attached as **Appendix 1** to this report. The plan identifies a number of specific audit risks and explains the audit approach in regard to these matters.
- 3.2 The plan was prepared prior to the pandemic and whilst it remains accurate in all other respects, the timetable for preparation of the accounts and for audit reporting has been amended such that the management report scheduled for reporting in May 2020 will not now be provided and the report on the audit of the annual financial statements for 2019/20 has been delayed for a period of two months and will now be considered at a meeting of the Council on 25 November 2020.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcome Improvement Plan (LOIP))

Although not specifically linked to these plans, the work of external audit provides assurances to the Council on the financial statements and on wider aspects of the council's governance arrangements.

(b) Policy and Legal

The audit is conducted in terms of statutory powers afforded to the appointed external auditor and in accordance with Audit Scotland's Code of Practice.

(c) Financial Implications

No additional costs arise directly from this report.

(d) Risk Implications

The audit plan identifies a number of risk areas that have been given due consideration in the determination of the planned audit coverage.

(e) Staffing Implications

Staff time is spent in dealing with audit queries and other matters arising, in particular the accountancy team work closely with the auditors during the audit of the annual financial statements; beyond this there are no specific staffing implications.

(f) Property

No implications.

(g) Equalities/ Socio Economic Impacts

No implications.

(h) Consultations

The content of the plan has been prepared in consultation with the Chief Financial Officer and other relevant officers within the council.

5. CONCLUSION

5.1 The External audit plan provides members and officers of the council with details of the planned work of external audit (Audit Scotland) in respect of the 2019/20 financial year.

Author of Report:	Atholl Scott
Background Papers:	External Audit Plan
Ref:	AS/asc/141020