



REPORT TO: AUDIT AND SCRUTINY COMMITTEE ON 8 MAY 2024

SUBJECT: ANNUAL AUDIT PLAN FOR YEAR ENDING 31 MARCH 2024

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT & FINANCE)

1. REASON FOR REPORT

1.1 To inform the Committee of the Auditor's Annual Audit Plan for 2023/24.

2. RECOMMENDATION

2.1 It is recommended that the Committee:

(i) scrutinises the Audit Risk Assessment; and

(ii) considers and notes the contents of the External Auditor's Annual Plan for 2023/24.

3. BACKGROUND

3.1 In September 2022, the Accounts Commission confirmed the appointment of Grant Thornton as the external auditor for the Council for financial years 2022/23 to 2026/27 inclusive.

3.2 In delivering the public audit for Moray, Grant Thornton will provide independent assurance that public money has been spent appropriately and provides value. Audit work is carried out in accordance with International Standards on Auditing, the Code of Audit Practice and any other relevant guidance.

3.3 The audit includes consideration of Best Value as part of the Wider Scope audit.

4. ANNUAL AUDIT PLAN 2023/24

4.1 Grant Thornton's Annual Audit Plan (AAP) for 2023/24 is attached as **Appendix 1** to this report. The Plan sets out the scope of the audit work and the auditor's approach to the audit. The AAP is risk based and details the initial risks identified at the planning stage by Grant Thornton on page 11. These will direct the focus of audit testing and the AAP sets out the planned

work to be undertaken for the audit of the financial statements for the year ending 2023/24.

- 4.2 In order to assist with the assessment of risk, an Informing the Audit Risk Assessment was completed by senior managers and this is attached as **Appendix 2**. This Committee is asked by the Auditor to scrutinise the Audit Risk Assessment.
- 4.3 Page 6 of the AAP shows the external audit fee for 2023/24 as £312,720, which is an increase of 10.6% on the previous year. In the main this fee is set by Audit Scotland.
- 4.4 The annual accounts timetable, including key deadlines are shown on page 7 of the AAP and includes the statutory requirement for the Council to submit the Unaudited Annual Accounts along with supporting working papers to Grant Thornton by 30 June 2024, following consideration by those charged with governance at the meeting of Moray Council on 26 June 2024. The Council will be asked to consider the Annual Audit Report and approve the Audited Annual Accounts at its meeting on 25 September 2024.

5. SUMMARY OF IMPLICATIONS

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

This report aligns with the strategic delivery framework which sits around the Corporate Plan including the financial strategies and performance framework including plans to ensure the delivery of Best value.

(b) Policy and Legal

The external audit is conducted in terms of statutory powers afforded to the appointed External Auditor and in accordance with Grant Thornton's Code of Practice.

(c) Financial implications

The annual audit fee for 2023/24 is £312,720.

(d) Risk Implications

The risks associated with the Annual Audit Plan have been identified and categorised within the Annual Audit Plan on page 11.

(e) Staffing Implications

Preparation of the Council's financial statements will be co-ordinated by the Chief Financial Officer and will require input from all sections of Financial Services along with other departments across the Council.

(f) Property

None arising directly from this report.

(g) Equalities/Socio Economic Impact

None arising directly from this report.

(h) Climate Change and Biodiversity Impacts

None arising directly from this report.

(i) Consultations

The content of the Annual Audit Plan has been discussed with CMT, the Chief Financial Officer and the Audit and Risk Manager prior to production and their comments have been incorporated where appropriate.

6. CONCLUSION

6.1 The Annual Audit Plan informs the Council, its Committees and officers of the work to be undertaken by the external Auditor, Grant Thornton, in the year ahead.

Author of Report: Lorraine, Paisey, Chief Financial Officer
Background Papers:
Ref: LP/LJC/SPMAN-1293228629-1073