

## **Final External Audit Plan and Strategy for the year ended 31 March 2024**

### **Executive Summary**

Final Audit Strategy Memorandum included for the year-ended 2023-24. The draft was previously presented to the Audit and Governance Committee on 8 July 2024. Now we have fully finished our planning and risk assessment procedures, we have made required updates that are shown in the Green text throughout. The updates consist of:

#### **Materiality (Page 3)**

We have since received Group figures and calculated materiality to be £1.17m for the financial statements (2.4% of actual expenditure), Performance materiality £761k and our Audit Reporting Posting Threshold is £59k.

In the draft audit plan, materiality for the Parent was £1.35m (2.2% of forecasted expenditure), Performance materiality of £877k and Audit Reporting Posting Threshold of £67.5k. We have revised our parent materiality due to the benchmark changing from forecasted to the actual expenditure. This resulted in a lower materiality than planned. Materiality for the Parent Financial Statements is £1.16m (2.2% of actual expenditure), Performance materiality £754k and our Audit Reporting Posting Threshold is £58k.

#### **Significant risks**

We have refined the significant risk for valuation of Land and Buildings for assets revalued using the Depreciated Replacement Cost as this valuation methodology accounts for £29.4m of £33.8m land and buildings valued (87%). Page 6.

There have been no other changes to the significant risks from the previous version.

#### **Value for Money Arrangements (Page 14-30)**

We have updated areas where evidence was outstanding from the previous version of the plan. This can be identified by the text in Green.

Our conclusion remains the same as we have not identified a significant risk in relation to the Council's VFM arrangements.

#### **Audit Fees (Page 36)**

As per PSAA's Scale Fees Consultation, the fees reported in the draft audit plan did not include new requirements of ISA315 revised (risk of material misstatement); or ISA 240 (auditor's responsibilities relating to fraud).

This Consultation has now ended and we have agreed additional fees of £15,000.