



Executive summary for ISA260 for the year ended 31 March 2025.

Purpose

This is our draft ISA260 for the year-ended 31 March 2025.

Our audit is substantially complete, however, until fully complete matters communicated in this report may change pending signature of our audit report. We will provide an oral update on the status during the meeting. Page 4 'Our Audit Findings' outlines the outstanding matters in relation to the audit. Our conclusions will be discussed with you before our audit report is signed.

Currently, we expect to issue an unmodified opinion.

Key changes to our audit plan (page 5)

We have refined our significant risk over valuation of land and buildings on receipt of the valuation report.

For assets subject to the DRC valuation, we initially identified significant risk associated with the obsolescence, BCIS Indices and Location Factor assumptions used in the valuation. However, as we did not identify any significant changes in the obsolescence and location factor assumption used from the prior year, we have therefore reduced the risk associated with these assumptions to elevated.

The significant risk over the BCIS indices remained.

Significant audit risks

1. Valuation of land and buildings (pages 7-8):
Testing over the following significant assumptions used in the Depreciated Replacement Cost (DRC) calculation – BCIS - was found to be neutral
2. Management override of control (page 9-10):
The results of our testing in relation to this risk were found to be satisfactory.
3. Valuation of post-retirement benefit obligations (page 11-12):
We have received the results from KPMG actuaries who have evaluated the assumptions used in the calculation for the Council's post-retirement benefit obligations. The significant assumptions used in the calculation were found to be balanced.

Uncorrected audit misstatements (page 29)

We identified three uncorrected audit misstatements. We have discussed these with management, and if they remain uncorrected they will not have an impact on our audit opinion.

Corrected audit misstatements (page 30)

We identified two corrected audit misstatements. We have discussed these with management and they have agreed to correct them in the financial statements.

Misstatements in respect of disclosures (page 31)

We identified two misstatements in respect of disclosures. We have discussed these with management and they have agreed to correct them in the financial statements.

Summary of control deficiencies and other recommendations (page 32 -46)

We have not identified any significant control deficiencies.

We have raised 1 medium, and 3 low level recommendations which have been discussed with management and for which a management response has been provided. These are performance improvement opportunities we raised to management, and do not require acceptance by management. Two of these recommendations have not been accepted.

We followed up on 10 recommendations raised in the prior year, of which 6 have been fully implemented.

Outstanding matters

A list of outstanding matters is detailed on page 4.