

## **EXTERNAL AUDIT UPDATE – 2024-25 AUDIT PLAN**

|                               |   |
|-------------------------------|---|
| <b>Head of Service:</b>       | Cagdas Canbolat, Director of Corporate Services and Section 151 Officer (Chief Finance Officer) |
| <b>Report Author</b>          | Sue Emmons, Chief Accountant  |
| <b>Wards affected:</b>        | (All Wards);  |
| <b>Appendices (attached):</b> | Appendix 1 – External Audit Plan 2024/25  |

### **Summary**

This report presents the External Audit Plan for 2024/25. In accordance with audit regulations, it must be presented to Committee.

### **Recommendation (s)**

#### **The Committee is asked to:**

- (1) Receive and note the External Audit Plan for 2024/25 as set out in Appendix 1 and acknowledge that the S151 Officer is satisfied with the details of the scope of the audit.**

## **1 Reason for Recommendation**

- 1.1 The annual audit is an integral part of the controls in place for ensuring that the Council achieves its key priority of being an Effective Council.

## **2 Background**

- 2.1 Grant Thornton provides the Council's external audit work. The 2023/24 external audit provided the Council with an unqualified (favourable) opinion on the accounts. Audit and Scrutiny Committee received Grant Thornton's 2023/24 Annual Auditors' Report in February 2025.
- 2.2 The Council published its unaudited 2024/25 Statement of Accounts on 11 July 2025 (TBC).
- 2.3 LG Improve has released a table showing the number of local authorities who have published 2023/24 audited accounts and draft accounts for 2024/25. This is shown below:

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|                      | Published Accounts Tracker |           |            |            |            |            |               |                 |                      |
|----------------------|----------------------------|-----------|------------|------------|------------|------------|---------------|-----------------|----------------------|
|                      | 2023/24                    |           |            |            | Percentage |            | 2024/25       |                 |                      |
|                      | Not published              | Draft     | Final      | Disclaimer | Published  | Finalised  | Not Published | Draft Published | Percentage Published |
| ILB                  | 0                          | 0         | 8          | 4          | 100%       | 100%       | 11            | 1               | 9%                   |
| OLB                  | 0                          | 4         | 3          | 13         | 100%       | 80%        | 20            | 0               | 0%                   |
| Met                  | 1                          | 1         | 19         | 15         | 97%        | 94%        | 34            | 2               | 6%                   |
| Unitary              | 1                          | 6         | 25         | 30         | 98%        | 89%        | 56            | 6               | 11%                  |
| County               | 0                          | 0         | 11         | 10         | 100%       | 100%       | 20            | 1               | 5%                   |
| Upper Tier           | 2                          | 11        | 66         | 72         | 99%        | 91%        | 141           | 10              | 7%                   |
| Districts            | 2                          | 12        | 52         | 98         | 99%        | 91%        | 153           | 11              | 7%                   |
| <b>Total England</b> | <b>4</b>                   | <b>23</b> | <b>118</b> | <b>170</b> | <b>99%</b> | <b>91%</b> | <b>294</b>    | <b>21</b>       | <b>7%</b>            |

Information as at 12 June 2025

### 3 Proposals

- 3.1 Grant Thornton has prepared an audit plan for the 2024/25 Statement of Accounts as shown in Appendix 1.
- 3.2 The plan outlines the key risks and requirements for 2024/25 and will be presented by a senior officer from Grant Thornton, who will be available at the meeting to answer any questions from Members.
- 3.3 Officers are satisfied that the audit plan addresses the key financial and governance issues.
- 3.4 The Committee is asked to receive the External Audit Plan for 2024/25 (Appendix 1).
- 3.5 Owing principally to the audit backlog in the wider sector (i.e. not at EEBC), Grant Thornton expects to undertake 2024/25's audit between September to November 2025, with the final audit report to be presented to Audit & Scrutiny Committee in February 2026.
- 3.6 Grant Thornton will undertake the external audit in accordance with International Standards on Auditing (ISAs). Under ISA240 guidance, Grant Thornton submitted a number of audit queries to management, to inform its risk assessment for the audit.

### 4 Risk Assessment

Legal or other duties

#### 4.1 Equality Impact Assessment

4.1.1 None arising from the contents of this report.

#### 4.2 Crime & Disorder

4.2.1 None arising from the contents of this report.

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### 4.3 Safeguarding

4.3.1 None arising from the contents of this report.

### 4.4 Dependencies

4.4.1 None arising from the contents of this report.

### 4.5 Other

4.5.1 The audit of the Council's financial statements comprise a key element of the Council's governance arrangements.

## 5 Financial Implications

5.1 The main audit fee for 2023/24's Statement of Accounts was £152,455, plus an additional £20,000 was incurred due to the protracted audit period last year, taking 2023/24's total fees to £172,455 (£72,548 in 2023/24).

5.2 For EEBC, the 2024/25 audit scale fee is expected to be £169,922 which has been fully budgeted. It is expected that there will be a further fee relating to additional work related to the implementation of IFRS16, but this has yet to be determined.

5.3 **Section 151 Officer's comments:** The Council received an unqualified (favourable) opinion on its Statement of Accounts from the external auditor for 2023/24. The External Audit Plan for 2024/25 forms part of the external audit process and a necessary requirement to ensure auditors have a schedule plan to assess council accounts and express an opinion.

## 6 Legal Implications

6.1 The Local Audit and Accountability Act 2014 sets out the framework for audit of local authorities. Grant Thornton's work is undertaken in the context of the Statement of Responsibilities of Auditors and Audit Bodies issued by the Comptroller and Auditor General.

6.2 **Legal Officer's comments:** None arising from the contents of this report.

## 7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The following Key Priorities are engaged:

- Effective Council.

7.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

7.3 **Climate & Environmental Impact of recommendations:** No specific implications.

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- 7.4 **Sustainability Policy & Community Safety Implications:** No specific implications.
- 7.5 **Partnerships:** No specific implications.
- 7.6 **Local Government Reorganisation Implications:** No specific implications.

### 8 Background papers

8.1 The documents referred to in compiling this report are as follows:

**Previous reports:**

- [External Audit Update – Audit and Scrutiny Committee, 6 February 2025.](#)

**Other papers:**

- 2024/25 Unaudited Statement of Accounts (<https://epsom-ewell.gov.uk/financialreports>)