

OPEN

## **Audit and Governance Committee**

**Thursday, 7 March 2024**

### **External Audit Findings and Action Plan 2022/23**

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**Report of: Alex Thompson, Director of Finance and Customer Services (s151 Officer)**

**Report Reference No: AG/29/23-24**

**Ward(s) Affected: (All Wards);**

#### **Purpose of Report**

- 1 The purpose of this report is to present the Audit Completion Report by Mazars, the Council's external auditors. The report summarises the findings of the 2022/23 Audit.

The report contributes to the Council's objective of being an open and enabling organisation.

#### **Executive Summary**

- 2 The Audit Completion Report by Mazars, the Council's external auditors summarises the findings of the 2022/23 Audit Report and is appended to this paper.
- 3 The report identifies the key issues that have been considered by Mazars before issuing their opinion on the Council's financial statements and its arrangements for securing economy, efficiency and effectiveness in the use of resources.
- 4 As a result of the audit work and subsequent findings there have been no material changes to the Statement of Accounts for 2022/23 since it was published on the Council's website on the 31<sup>st</sup> May 2023.
- 5 The changes that are required following the audit are in the main due the reversal of infrastructure related de-recognised

expenditure that is no longer required due to the accounting override that is in place, changes to the Pensions net liability and re-categorisation of income and expenditure. The overall figures in the main statements to the accounts have remained the same.

- 6 The Value for Money work for 2022/23 is still on-going and an update has been provided by Mazars within the Audit Completion report (Section 7, page 25) . Mazars will provide a further update in the Auditor's Annual Report that will be provided within three months from the date of audit opinion.

#### RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Receive the Audit Completion Report for the year ending 31st March 2023.
2. To delegate authority to the S151 Officer to:
  - a) Sign off the Statement of Accounts for 2022/23, once the audit has concluded, and
  - b) notify Committee Members of the final signed Accounts being published on the Council's website.

#### Background

- 7 The auditors are responsible for giving an opinion on:
  - a) Whether the accounts give a true and fair view of the financial position of the Council and the Group as at 31st March 2023 and of the Council's and the Group's expenditure and income for the years then ended;
  - b) Whether they have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23;
  - c) Whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money (VFM) conclusion.
- 8 The findings in relation to these areas are set out in Sections 3 – 6 of the Audit Completion Report, attached as Appendix A.
- 9 As the Council's appointed auditors, representatives of Mazars will attend the Committee to report their findings directly to Members.

## **Consultation and Engagement**

- 10 In accordance with Regulation 15(2) (b) of the Accounts and Audit Regulations 2015, the accounts were made available for public inspection between 1 June to 12 July 2023.

## **Reasons for Recommendations**

- 11 The appointed auditors are required to report to those charged with governance. The Audit Completion Report presents the findings, conclusions and recommendations from audit work undertaken relating to the financial year 2022/23.

## **Other Options Considered**

- 12 Not applicable.

## **Implications and Comments**

### *Monitoring Officer/Legal*

- 13 There are no legal implications identified.

### *Section 151 Officer/Finance*

- 14 As covered in the report.

### *Policy*

- 15 There are no policy implications identified.

### *Equality, Diversity and Inclusion*

- 16 There are no equality implications identified.

### *Human Resources*

- 17 There are no human resources implications identified.

### *Risk Management*

- 18 The audit has been conducted in accordance with International Standards of Auditing (UK) and means the auditors focus on audit risks that have been assessed as resulting in a higher risk of material misstatement.

### *Rural Communities*

- 19 There are no direct implications for rural communities.

*Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

20 There are no direct implications for children and young people.

*Public Health*

21 There are no direct implications for public health.

*Climate Change*

22 There are no direct implications for climate change.

<b>Access to Information</b>	
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Appendices:	Appendix A – Audit Completion Report
Background Papers:	<a href="#">Statement of Accounts and Annual Governance Statement 2022/23</a>