

Audit and Standards Committee

14 March 2024

Update to Warwickshire County Council External Auditor's Audit Findings Report 2022/23

Recommendation

That the Audit and Standards Committee notes and comments on the updated Audit Findings Report of the External Auditors for Warwickshire County Council, attached at Appendix A.

1. Key Issues

- 1.1. Our external auditors, Grant Thornton, are required to report to those charged with governance on issues arising from the audit of the County Council's financial statements before issuing their final opinion.
- 1.2. Our external auditors prepare two annual reports for this purpose. The first is the Annual Audit Letter which was considered by this Committee on 30 November 2023. The second is the report on issues arising from the audit of the County Council's financial statements before issuing their final opinion, known as the Audit Findings Report. The draft 2022/23 Audit Findings Report was presented to the committee on 30 November 2023, in which the auditor reported they anticipated issuing an unqualified audit opinion follow the Full Council meeting on 19 December 2023.
- 1.3. Since the last meeting of the committee, the 2022/23 Statement of Accounts were approved by Full Council on 19 December 2023 and the unqualified audit opinion was received on 26 January 2024 alongside an updated Audit Findings Report. This final Audit Findings Report is attached for the Committee's information at **Appendix 1**.
- 1.4. For ease, the main changes (highlighted in yellow) from the version presented in November are contained within Section D – Audit Adjustments from pages 30-33 in the Audit Findings Report. There were two adjustments to the accounts, several disclosure changes from the technical review of the accounts and one unadjusted misstatement, which was not material and will be changed in the 2023/24 accounts. The adjustments and minor presentational changes were made to the approved Statement of Accounts published on the WCC website with the accompanying audit opinion.

- 1.5. In the auditor's opinion, the financial statements:
- give a true and fair view of the financial position of the Authority as at 31 March 2023 and of its expenditure and income for the year then ended;
 - have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23; and
 - have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014
- 1.6. No additional improvement recommendations have been made to those presented in November and, therefore, there are no additional management responses for the Committee to be aware of.
- 1.7. As is our usual approach, following the accounts being signed and approved, we have undertaken a review of the process, in conjunction with the External Auditors, to ensure that any lessons learned are built into the closedown/audit process for the 2023/24 accounts.

Accounts Certification

- 1.8. The auditors cannot formally conclude the audit and issue an audit certificate for Warwickshire County Council for the year ended 31 March 2023 (or any financial year dating back to 2017/18) until they have completed their considerations of an objection brought to their attention by a local authority elector relating to the 2017/18 Statement of Accounts. The auditors are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2023.
- 1.9. On 19 February 2024, a letter of formal complaint regarding this matter was sent by the Chair of the Committee to Grant Thornton. As at the time of publishing this report, the work has not yet been completed.

2. Financial Implications

- 2.1. None.

3. Environmental Implications

- 3.1. None.

4. Background Papers

- 4.1. Audit & Standards Committee 30 November 2023 - Warwickshire County Council 2022/23 Audit Findings Report.

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Elected Members have not been consulted in the preparation of this report.