

## ABERDEEN CITY COUNCIL

---

<b>COMMITTEE</b>	Audit, Risk and Scrutiny Committee
<b>DATE</b>	09 May 2024
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	External Audit Report – Annual Audit Report – 2022/23 Audit
<b>REPORT NUMBER</b>	EA/24/003
<b>DIRECTOR</b>	N/A
<b>CHIEF OFFICER</b>	Michael Oliphant, Audit Director Audit Scotland
<b>REPORT AUTHOR</b>	Anne MacDonald, Senior Audit Manager Audit Scotland
<b>TERMS OF REFERENCE</b>	3.1

---

### **1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to present the Committee with External Audit's Annual Audit Report on the 2022/23 audit.

### **2. RECOMMENDATION**

- 2.1 It is recommended that the Committee review, discuss and comment on the issues raised within this report and the attached appendix.

### **3. CURRENT SITUATION**

- 1.1. External Audit has completed the attached report which sets out the auditor's judgements and conclusions in respect of the 2022/23 audit and covers both the audit of the council's financial statements and the auditor's wider scope responsibilities as set out in the Code of Audit Practice.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 An additional audit fee of £15,000 has been agreed with the Chief Officer, Finance to reflect the additional work required to conclude the 2022/23 audit. This increases the 2022/23 audit fee from £507,010 to £522,010.

### **5. LEGAL IMPLICATIONS**

- 5.1 There are no direct legal implications arising from the recommendations of this report.

### **6. ENVIRONMENTAL IMPLICATIONS**

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

### **7. RISK**

7.1 The External Audit process considers risks involved in the areas subject to review. Any risk implications identified through the External Audit process are detailed in the resultant External Audit reports. Recommendations are made to address the identified risks and External Audit follows up progress with implementing those that are agreed with management.

## 8. OUTCOMES

8.1 There are no direct impacts, as a result of this report, in relation to the Council Delivery Plan, or the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place.

8.2 However, External Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

## 9. IMPACT ASSESSMENTS

Assessment	Outcome
<b>Integrated Impact Assessment</b>	An assessment is not required because the reason for this report is for Committee to review, discuss and comment on the outcome of an external audit. As a result, there will be no differential impact, as a result of the proposals in this report, on people with protected characteristics.
<b>Data Protection Impact Assessment</b>	Not required.

## 10. BACKGROUND PAPERS

10.1 The scope of the audit was set out in an annual audit plan which was presented to the Audit, Risk and Scrutiny Committee in May 2023.  
[Annual Audit Plan 2022-23](#)

## 11. APPENDICES

11.1 Appendix A: External Audit – Annual Audit Report on the 2022/23 audit.

## 12. REPORT AUTHOR CONTACT DETAILS

<b>Name</b>	Anne MacDonald
<b>Title</b>	Senior Audit Manager, Audit Scotland
<b>Email Address</b>	<a href="mailto:amacdonald@audit-scotland.gov.uk">amacdonald@audit-scotland.gov.uk</a>
<b>Tel</b>	0131 625 1903