

ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk and Scrutiny Committee
DATE	27 June 2024
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	External Audit Report – Annual Audit Report/ISA260 Report – 2023/24 Audit
REPORT NUMBER	EA/24/006
DIRECTOR	N/A
CHIEF OFFICER	Michael Oliphant, Audit Director Audit Scotland
REPORT AUTHOR	Anne MacDonald, Senior Audit Manager Audit Scotland
TERMS OF REFERENCE	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 2023/24 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 undernoted reports which set out the auditor's judgements and conclusions in respect of the 2023/24 audit.
- 1.2. The auditor's covering letter to the Committee sets out the status of the audit and the work to be completed in advance of the meeting on 27 June 2024.
- 1.3. The ISA 260 report to those charged with governance covers the audits of the 2023/24 council's financial statements and those of its charitable trusts.
- 1.4. The Annual Audit Report (**to follow – part of a later circulation**) will cover the auditor's wider scope responsibilities under Audit Scotland's Code of Audit Practice.

4. FINANCIAL IMPLICATIONS

- 4.1 The audit fee for the 2023/24 audit was set out in the External Auditor's Annual Audit Plan. This was set at £536,810 including £10,000 in respect of the council's charities trusts.

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
Integrated Impact Assessment	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.
Data Protection Impact Assessment	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 2024.
[External Audit Annual Audit Plan 2023-24](#)

10.2 The framework for public sector audit in Scotland is set out in Audit Scotland's Code of Audit Practice [Audit Scotland's Code of Audit Practice](#)

11. APPENDICES

11.1 Appendix A: External Audit – Covering letter to the Committee on the status of the audit

Appendix B: External Audit – 2023/24 Annual Accounts /ISA 260 Report to those charged with governance

Appendix C: External Audit – 2023/24 Annual Audit Report (**to follow – part of a later circulation**)

12. REPORT AUTHOR CONTACT DETAILS

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