



Report to: Audit and Governance Committee, 20th September 2023

Report of: Head of Finance

Subject: External Audit Progress – 2021/22 to 2023/24

1. Recommendation

- 1.1 That the Committee notes the external auditor's progress and plans with the audits of the accounts for 2021/22 and 2022/23.**
- 1.2 That the Committee notes the appointment of the new auditor to commence with the audit for 2023/24.**

2. Background

- 2.1 Following each financial year-end, the City Council is required to publish a draft set of annual accounts by 31 May and for the annual external audit to have been completed by 30 September. During the pandemic these deadlines were relaxed but for 2022/23 they have returned to the usual basis.

3. Information

2021/22 accounts and audit

- 3.1 The draft 2021/22 accounts have been published and are available on the City Council's website, albeit well beyond the deadline of 31 July 2022. A copy is attached as **Appendix 1**. The year produced a small budget surplus of £27k.
- 3.2 The statutory deadline for publishing the final audited accounts for 2021/22 was extended to 30 November 2022. Ernst Young, the Council's independent external auditors have now confirmed that they are ready to commence the audit of the accounts for 2021/22. We are expecting a start date to be advised in the next few weeks with most of the audit work being completed remotely. This has proved to be an efficient way of operating supported by the fact that City Council no longer holds any paper based financial records.

2022/23 accounts and audit

- 3.3 The auditors have not yet confirmed a date for starting the audit of the 2022/23 accounts. It is therefore not possible to confirm when the audited accounts will be presented to this committee, but it is hoped that it will be at the meeting in March 2024 before the end of the current financial year.

4. Appointment of new Auditor

- 4.1 The Public Sector Audit Appointments body appointed by the Government has awarded Azets Audit Services a 5-year contract for the audit of Worcester City Council. Azets is a UK top 10 audit, accounting and business advisory firm, with an office in Worcester. The firm provides external audit, internal audit and other assurance services across the public sector and has extensive experience of auditing large Scottish councils on behalf of the Accounts Commission. The contract will begin with the audit of the 2023/24 accounts.
- 4.2 An initial introductory meeting has been held and the preliminary planning for the audit is expected to start in February 2024.

Ward(s): All
Contact Officer: Mark Baldwin Tel: 01905 722007, email mark.baldwin@worcester.gov.uk
Background Papers: None