

London Borough of Hammersmith & Fulham

Report to: Audit Committee

Date: 08/07/2024

Subject: External Audit Plan 2023/24, Audit Risk Assessment and Statement of Accounts Update

Report author: Christopher Harris, Head of Corporate Accountancy, Finance Systems and Tax

Responsible Director: Sukvinder Kalsi, Executive Director Finance and Corporate Services

SUMMARY

This report, for information, presents the external audit plan and risk assessment for the audit of the financial year 2023/24. In addition, it provides an update on the Statement of Accounts for 2022/23 and 2023/24.

RECOMMENDATIONS

1. To note the 2023/24 External Audit Plan as prepared by the Council's External Auditor, Grant Thornton (Appendix 1).
2. To note the contents of the report produced by Grant Thornton on Informing the audit risk assessment 2023/24 and the responses from management (Appendix 2).

Wards Affected: All

H&F Values

Our Values	Summary of how this report aligns to the H&F Values
<ul style="list-style-type: none">• Being ruthlessly financially efficient	As part of the financial governance of the Council, and to ensure the Council is using its resources effectively, there is a need to appoint a suitable external auditor.

Financial Impact

There are no direct financial implications in relation to this report.

Legal Implications

There are no direct legal implications in relation to this report.

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Background Papers Used in Preparing This Report

None

External Audit Plan 2023/24

1. The Council's external auditor (Grant Thornton UK LLP) is required to share with the Audit Committee its audit plan for the financial year subject to audit.
2. The external auditors proposed audit plan for the year of account 2023/24 is attached at appendix 1. The auditor will also be presenting the plan to the Committee.

Informing the audit risk assessment 2023/24

3. The Council's external auditor, Grant Thornton, has additionally submitted a report on Informing the Audit Risk Assessment 2023/24 (appendix 2).
4. The report, which includes management responses, sets out a series of risk assessment questions aimed at obtaining an understanding of management processes and the Council's oversight of the following areas:
 - General Enquiries of Management
 - Fraud
 - Laws and Regulations
 - Related Parties
 - Going Concern
 - Accounting Estimates

Update on Statement of Accounts

5. The external auditor issued an unqualified opinion on the 2022/23 Accounts on 28 March 2024, these accounts having previously been approved by Audit Committee on 11 March 2024. There are no significant differences to report between the previous Committee version and the final accounts (i.e. the net position on the main statements and usable reserves position remains unchanged).
6. The draft (unaudited) 2023/24 Statement of Accounts were published on 31 May 2024 in accordance with the statutory deadline. The draft accounts are published on the Council's website here:

<https://www.lbhf.gov.uk/sites/default/files/2024-05/draft-lbhf-statement-of-accounts-2023-24-unaudited.pdf>
7. Further to publication of the draft accounts, the public inspection period commenced on 3 June 2024 and is due to run until 12 July 2024.
8. Further to the completion of external audit work, the final 2023/24 accounts will be presented to the Audit Committee at a future meeting for approval.

LIST OF APPENDICES:

Appendix 1 – Grant Thornton – External Audit Plan 2023/24

Appendix 2 – Grant Thornton – Informing the audit risk assessment for London Borough of Hammersmith and Fulham and the Pension Fund 2023/24