



Feedback: 2021/22 public sector monitoring reviews

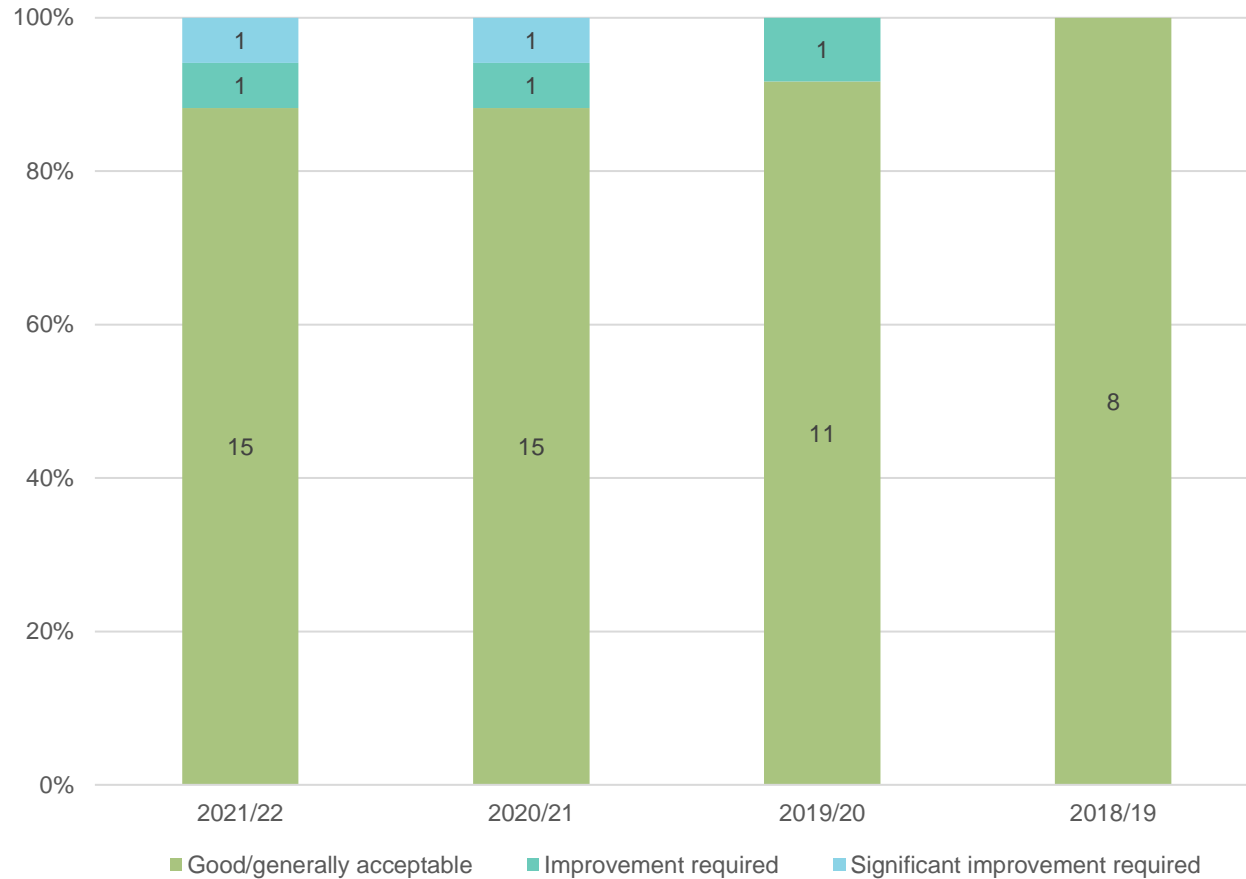
QUALITY ASSURANCE DEPARTMENT (QAD)

OCTOBER 2022

Summary

- Audit work continues to be of a generally good standard.
- The ICAEW Quality Assurance Department undertook 17 reviews:
 - 15 were either good or generally acceptable.
 - One audit required improvement.
 - One audit required significant improvement.
- Same grading profile as the previous year.
- Reviews of audits signed off in the 2021 calendar year.
- VfM continues to be of a good standard.
- ICAEW continues to identify and share examples of good practice.

Results – financial audit



**88% of audits
“good” or “generally
acceptable”**

Results – Value for Money



**100% either “good”
or “generally acceptable”**

Summary of key findings

Investment property
classification and
valuation

Audit of cashflow
statement

Challenge of
management

Summary of other findings

Financial statement
disclosure

Audit evidence

Writing out
accumulated
depreciation

Misstatements in
Defined Benefit
Pensions
disclosures

Summary of other findings

Financial statement
disclosure

Audit evidence

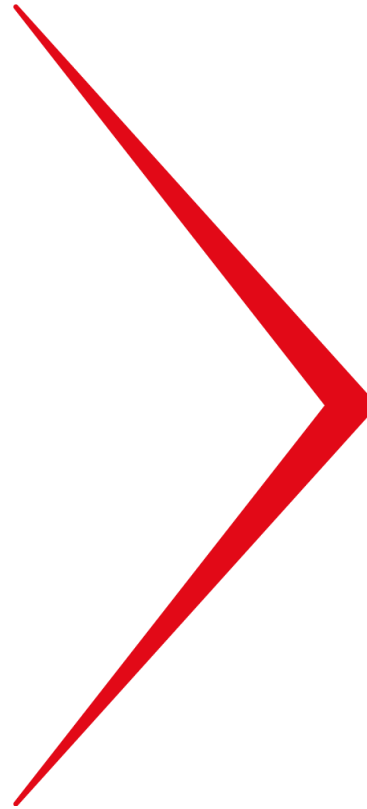
Audit reporting

Substantive
analytical review

Agreement of
balances
exercise

Accounting for
revaluations

Challenge of
management



Good practice

Property, plant and equipment

Planning and risk assessment

Fieldwork

VFM

Other public sector reviews – key findings

Insufficient audit
testing

Inadequate quality
control review
procedures

Other public sector reviews – summary of other findings

Planning and risk assessment

Audit evidence

First year audits

Risk assessment procedures

Risk identification

Other public sector reviews – summary of other findings

Planning and risk assessment

Audit evidence

Sampling

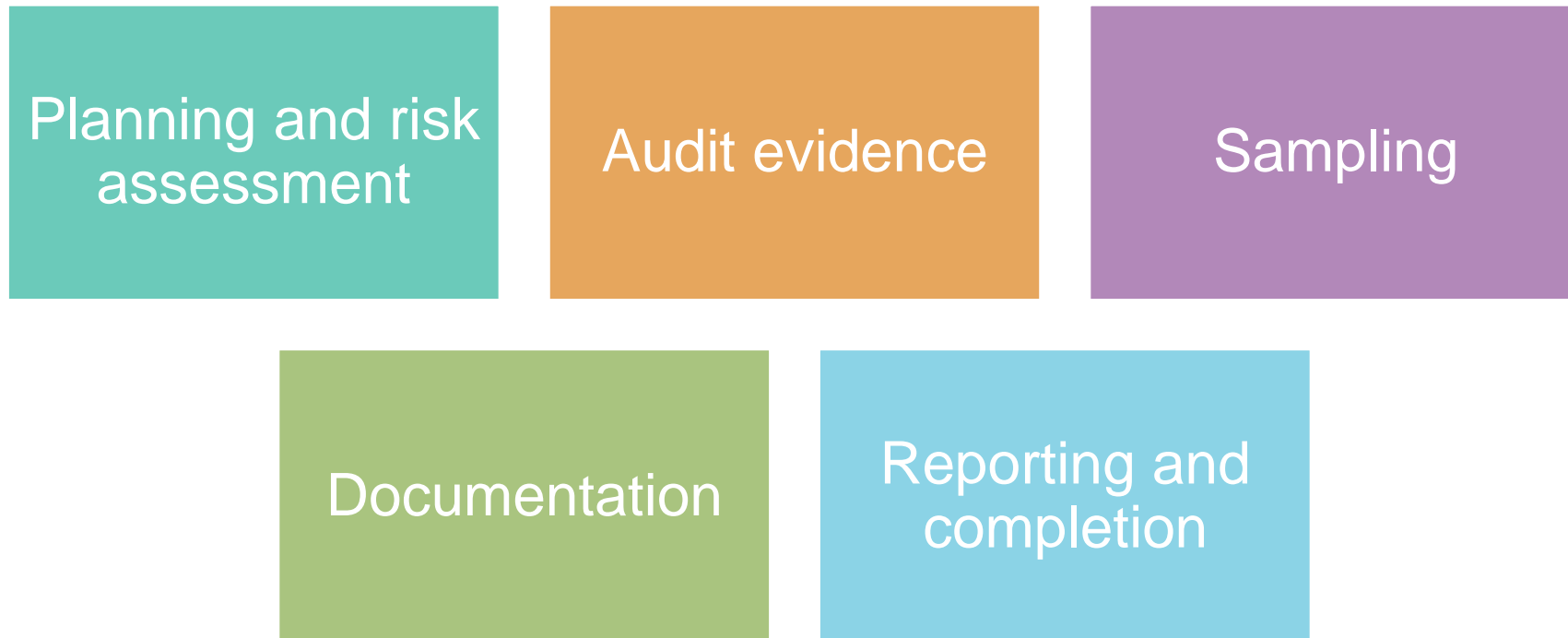
Valuation of land and buildings

Completeness and accuracy of data

Data analytics

Inventory

Other public sector reviews – summary of other findings



Root cause analysis

Key points to consider:

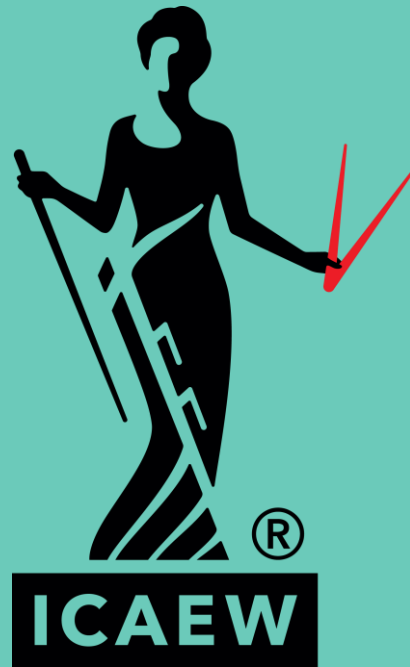
- Risk assess your audit portfolio.
- Ensure sufficient resources for effective manager and partner review.
- Review procedures and ‘things that you do’ to assess whether they are effective in addressing potential quality risks.

Useful ICAEW resources



- Webinars and webcasts – [icaew.com/auditresources](https://www.icaew.com/auditresources)
 - Ethical standards
 - Group audits
 - Accounting estimates valuations, impairments and the use of experts
 - Fraud
 - Substantive testing – substantive analytical review and tests of detail
- ICAEW training films – [icaew.com/films](https://www.icaew.com/films)
- Helpsheets – [icaew.com/helpsheets](https://www.icaew.com/helpsheets)
- [UK public sector audit hub](https://www.icaew.com/public-sector-audit-hub)

Thank you for listening



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