

Materiality Levels

The following materiality levels are proposed for the preparation of the 2022/23 Financial Statements:

Balance Sheet

Materiality will be set at 10% of the 2021/22 closing balance, subject to the external auditors advised materiality, although some areas are material by nature so this will also be taken into account.

Where the external auditors materiality is less than 10% of the balance sheet, the materiality applied internally is reduced to 90% of the external audit materiality. By setting our internal materiality level at a lower level than the external auditors level, we will ensure we capture all issues the external auditors will consider material and we are allowing for any movement in the External Auditors materiality level.

The 2021/22 balances are deemed to be the best consistent point to assess materiality on, as although the majority of balance is reconciled and updated regularly thought-out the year, some areas, the pension liability for example, is only updated at the end of the financial year.

Balance Sheet Area	2021/22 Balance (Draft SofA)	Materiality Level at 10%	External Audit Materiality Level 21/22 *	90% of External Audit Materiality Level	Internal Materiality Level
	£'000	£'000	£'000	£'000	£'000
Property, Plant and Equipment (PPE)	104,759	10,476	420	378	378
Short term Debtors	4,779	478	420	378	378
Short Term Creditors	(13,892)	(1,389)	(420)	(378)	(378)
Provisions	(1,179)	(118)	(420)	(378)	(118)
Pension Liability	(22,009)	(2,201)	(420)	(378)	(378)

*2022/23 materiality level is yet tbc by auditors.