

AUDIT BOARD
21 October 2020

REPORT FROM THE EXTERNAL AUDITOR

1. Summary

The External Auditor has substantially completed the audit of the Council's 2019/20 Accounts and now presents his "Audit Findings" report to Members.

2. RECOMMENDATIONS

2.1 That Members welcome the External Auditor's intention to issue an unqualified opinion on both the Financial Statements and the Value for Money Conclusion.

2.2 That Members approve the Letter of Representation, at Appendix B to the report.

3. Background and Discussion

3.1 After the initial lockdown period in March, the 2019/20 Draft Statement of Accounts was sent to the External Auditor for review 10 July 2020. The External Auditor has substantially completed the audit of the accounts and now presents the Audit Findings Report (Appendix A) to the Board. The Board should consider the External Auditor's report before approving the 2019/20 accounts for publication (referred to elsewhere on the agenda).

3.2 The Audit Manager (Iain Murray) will present the Audit Findings Report to the Board. The External Auditor proposes an unqualified opinion on the accounts and an unqualified value for money conclusion.

3.3 Members should note that the audit process has taken longer than normal due to the COVID-19 crisis, lack of on-site working and some operational audit issues. Despite the longer audit period, the relationship between the finance team and Grant Thornton remains positive.

3.4 The External Auditor has noted the findings in the Audit Findings Report. Limited changes were made to the draft statement as part of the audit process however, no changes were made that change the outturn position for revenue and capital budgets presented to Cabinet in June 2020. There have been no changes to the level of usable reserves.

3.5 Appendix B is the letter of Representation that the Section 151 Officer is required to sign. It confirms that the Council has complied with the Code of Practice on Local Authority Accounting, provided the External Auditor with

AUDIT BOARD

30 July 2018

access to all relevant information and other sundry matters. The External Auditor requires the Board to approve the letter.

3.6 Appendix C is the draft audit opinion as issued by the auditor. This replaces the opinion included in the draft accounts but is still subject to final confirmation.

4. Relationship to the Corporate Plan

The completion, approval and audit of the annual statement of accounts by the statutory deadline are key requirements of the Accounts and Audit Regulations 2015 (as amended). This is one way that the Council demonstrates that it is a well-managed organisation making the best use of its resources, which is part of the Council Performing Strongly theme.

5. Financial, legal, staffing and other administrative implications and risk assessments

Financial Implications	None specifically
Legal Implications	None
Staffing Implications	None
Administrative Implications	None
Risk Assessment	None

6. Appendices

Appendix A – Audit Findings report 2019/20

Appendix B – Letter of Representation

Appendix C – Draft Audit Opinion

BACKGROUND PAPERS

<u>Documents consulted</u>	<u>Date</u>	<u>File Ref</u>	<u>Report Author</u>	<u>Section and Directorate</u>	<u>Exempt Information Category</u>
			Tim Sams 343148	Financial Services/ Internal Services	N/A