

## Auditor's Annual Report 2020-21

<b>Committee name</b>	Audit Committee
<b>Officer reporting</b>	James Lake, Finance
<b>Papers with report</b>	EY Auditor's Annual Report 2020/21
<b>Ward</b>	All

### HEADLINES

This is a covering report to EY's Auditor's Annual Report which provides a summary of the results and conclusions from their audit work undertaken for the year ended 31 March 2021.

### RECOMMENDATIONS:

#### 1) Committee note the 2020/21 Auditor's Annual Report

### SUPPORTING INFORMATION

In a new approach for 2020/21 the external auditor is now required to produce Auditor's Annual Report instead of the Audit Letter. As stated in the report, its purpose is to bring together all the auditor's work over the year. A core element of the report is the commentary on Value for Money (VFM) arrangements, which aims to draw to the attention of the Council or the wider public relevant issues, recommendations arising from the audit and follow-up of recommendations issued previously, along with the auditor's view as to whether they have been implemented satisfactorily.

Key points included in the report include:

1. The Council's Financial Statements (including the Pension Fund) received an unqualified opinion for the year ended 31 March 2021 and gave a true and fair view of the financial position of the Council as at 31 March 2021. The financial statements were prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.
2. It was concluded that the Corporate Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements was appropriate.
3. The financial information in the narrative report was consistent with the audited accounts.
4. The financial information in the Pension Fund Annual report was consistent with the audited accounts.
5. There were no matters to report by exception on the Council's VFM arrangements.
6. Other information published within the Statement of Accounts was consistent with the financial statements.
7. EY was satisfied that the Annual Governance Statement was consistent with their understanding of the Council.
8. There were no matters to report in terms of Public Interest or other auditor powers.

Classification: Public

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9. EY has not yet issued the audit certificate for 2020/21 as required by the Local Audit and Accountability Act 2014 and the National Audit Office's (NAO) 2020 Code of Audit Practice. This is because the Whole Government Accounts (WGA) Data Collection Tool (DCT) and audit guidance for 2020/21 are delayed and are yet to be issued. As such the Council has not prepared the DCT submission and EY has not performed the procedures required by the NAO on the WGA submission.

### **FINANCIAL IMPLICATIONS**

Council - Total planned audit fees were expected to be within the range of £135,496 to £144,496, although additional fees and increased scale fees yet to be agreed, may increase this figure further.

Pension Fund - Total planned audit fees were estimated at £21,170 however additional fees and increased scale fees yet to be agreed, may increase this figure further.

### **LEGAL IMPLICATIONS**

Legal implications are included in the body of the report.