



## **Governance Scrutiny Group**

**Thursday, 4 February 2021**

### **Annual Audit Letter**

## **Report of the Executive Manager – Finance and Corporate Services**

### **1. Purpose of report**

- 1.1. The attached letter from Mazars summarises progress on the audit process for the 2019/20 financial year. It reiterates the key conclusions of the Auditors' Report on the 2019/20 Accounts and the Report to those Charged with Governance, both of which were considered by the Governance Scrutiny Group on 24 November 2020.
- 1.2. No actions are required in relation to the report although some non-material misstatements in relation to pensions and property, plant and equipment were identified. The report is positive, no major concerns have been raised.

### **2. Recommendation**

It is RECOMMENDED that the Governance Scrutiny Group note the receipt of the Annual Audit Letter.

### **3. Reasons for Recommendation**

- 3.1. To ensure that due regard has been given to issues and concerns raised by the Council's external auditors.

### **4. Supporting Information**

- 4.1. The Annual Audit Letter for 2019/20 is attached at Appendix A.
- 4.2. This year was more challenging than normal due to the implications of Covid-19. As a result of this, the statutory deadline for signing off the Statement of Accounts was extended until 30 November 2021. Unfortunately, this deadline was not met through no fault of the Council but delays in the auditors gaining assurance from the Pension Fund Accounts. Irrespective of this no significant issues have arisen during the 2019/20 financial year with some non-material misstatements in relation to Pensions and Property, Plant and Equipment identified.

### **5. Risks and Uncertainties**

- 5.1. There are no issues arising from this report.

### **6. Implications**

## 6.1. Financial Implications

The existing budget covers the fee for audit work of £31,792. In addition to this, Mazars propose fee variations of approximately £12k in relation to additional testing and work as a result of Covid-19. These variations are subject to confirmation by Public Sector Audit Appointments (PSAA) and, if approved, will be covered by budget efficiencies identified in the year.

## 6.2. Legal Implications

There are no legal implications arising from the recommendations of this report.

## 6.3. Equalities Implications

There are no equalities implications connected to the recommendations of this report.

## 6.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no Section 17 implications connected to the recommendations of this report.

## 7. Link to Corporate Priorities

Quality of Life	None
Efficient Services	Undertaking a programme of external audit ensures that proper and efficient services are delivered by the Council.
Sustainable Growth	None
The Environment	None

## 8. Recommendations

It is RECOMMENDED that the Governance Scrutiny Group note the receipt of the Annual Audit Letter.

<b>For more information contact:</b>	Peter Linfield Executive Manager - Finance and Corporate Services Tel: 0115 9148439 plinfield@rushcliffe.gov.uk
<b>Background papers available for Inspection:</b>	
<b>List of appendices:</b>	Appendix A – Mazars Annual Audit Letter 2019/20