

## **Report to Audit Committee**

**Subject:** Mazars External Audit Report 2019/20

**Date:** 24 November 2020

**Author:** Assistant Director - Finance

### **1 Purpose of Report**

To inform Members of the key findings arising from Mazars' (the Council's external auditors) audit work in respect of 2019/20

#### **Recommendation:**

THAT:

- 1) Members note the Mazars external audit report for 2019/20.

### **2 Background**

- 1.1 It is a requirement that the Council's financial statements are audited on an annual basis and that in addition the auditors undertake all work necessary to support their conclusion on value for money (VFM).

### **3 Proposal**

As external auditors, Mazars have substantially completed the audit of the Council's financial statements for 2019/20 and their Audit Completion Report is attached at Appendix 1. At the time of preparing this report, some final audit work on pensions remained outstanding, as the Council's Statement of Accounts cannot be signed off until the external auditor receives suitable assurances in respect of the Nottinghamshire Pension Fund audit. Further information will be given at the meeting. The external audit report also summarises the work done to support Mazars' conclusion on the Council's arrangements to secure economy, efficiency and effectiveness in the use of resources (the VFM conclusion). It is proposed that the report is noted.

#### **4 Financial Implications**

There are no financial implications directly arising from this report.

#### **5 Legal Implications**

Under section 4 of the Local Audit and Accountability Act 2014, the Council's accounts must be audited by an auditor appointed under the Act. Public Sector Audit Appointments (PSAA) has appointed Mazars for a period of five years commencing 1 April 2018 to act as Gedling Borough Council's external auditor. The general duties of the external auditor are specified in section 20 of the 2014 Act, requiring them to be satisfied in auditing the accounts that:

- The accounts comply with the requirements of the enactments that apply to them;
- Proper practices have been observed in the preparation of the Statement of Accounts, and that the statement presents a true and fair view;
- The authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

When the auditor has completed the audit of the accounts, they must enter onto the Statement of Accounts:

- An auditor's opinion on the statement;
- A certificate that the audit has been completed in accordance with the 2014 Act.

In carrying out their functions the auditor must comply with the Code of Audit Practice and have regard to guidance issued by the Comptroller and Auditor General under the Act. The Code of Audit Practice 2020 requires the auditor to produce an annual report which brings together all of the auditor's work over the year and present it to those charged with governance. The auditor's annual report should be published no later than 30 September, but where the auditor is unable to do this, they should issue an audit letter including a statement explaining the reason for the delay.

#### **6 Equalities Implications**

There are no equalities implications directly arising from this report

## **7 Carbon Reduction/Environmental Sustainability Implications**

There are no carbon reduction/environmental sustainability implications arising from this report.

## **8 Appendices**

Mazars Audit Completion Report 2019/20 (to follow)

**Statutory officer Approval:**

**Approved by: Chief Financial Officer**

**Date:** 13 November 2020

**Approved by: Monitoring Officer**

**Date:** 13 November 2020