

Report to Audit Committee

Subject: Mazars External Audit – Auditor’s Annual Report

Date: 28 June 2022

Author: Director of Corporate Resources and Section 151 Officer

Purpose

To present the Auditor’s Annual Report for the year ended 31 March 2021 prepared by Mazars, the Council’s External Auditor.

Recommendation(s):

THAT:

- 1) Members receive the Auditor’s Annual Report for the year ended 31 March 2021 prepared by Mazars and refer the report to full Council for information.**

1. Background

- 1.1 It is a statutory requirement that the Council’s financial statements are subject to external audit on an annual basis. This is currently undertaken by Mazars.
- 1.2 Mazars presented their Audit Completion Report in respect of the Council’s financial statements for the year ended 31 March 2021 to the Audit Committee on 2 February 2022 summarising their audit conclusions.
- 1.3 Mazars have now issued their Auditor’s Annual Report for the year ended 31 March 2021 and this is attached as an appendix to this report. This confirms that an unqualified opinion on the financial statements was issued on 16 March 2021.
- 1.4 The Auditor’s Annual Report also provides details of the work undertaken and conclusions reached by Mazars on the Council’s arrangements to secure economy, efficiency and effectiveness in its use of resources (value for money). This focused upon financial sustainability, governance and improving economy, efficiency and effectiveness as the reporting criteria. No risks of significant

weakness or actual significant weaknesses were identified for each of the reporting criteria.

- 1.5 Section 4 summarises the audit fees for the work undertaken by Mazars. The core scale fee for the 2020/21 audit was £32,779 (as in 2019/20) plus fees for additional testing and further work to meet new reporting requirements that have not, as yet, been agreed.

2. Proposal

- 2.1 It is proposed that the Audit Committee receive the Auditor's Annual Report for the year ended 31 March 2021 and refer the report to full Council for information.

3. Financial Implications

- 3.1 There are no financial implications arising directly from this report.

4. Legal Implications

- 4.1 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 on 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 enactments that apply to them;
- Proper practices have been observed in the preparation of the Statement of Accounts and that this 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 on to the Statement of Accounts:

- An auditor's opinion
- 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.

5. Equalities Implication

- 5.1 There are no equalities implications arising directly from this report.

6. Carbon Reduction/Environmental Sustainability Implications

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

7. Appendices

7.1 Mazars Auditor’s Annual Report – Year ending 31 March 2021.

Statutory Officer Approval	
Approved by:	Chief Financial Officer
Date:	June 2022
Approved by:	Monitoring Officer
Date:	June 2022

