

Report to Audit Committee

Subject: Mazars External Audit – Audit Progress Report

Date: 27 June 2023

Author: Chief Executive

Purpose

To present the External Audit Progress Report for the year ended 31 March 2022 prepared by Mazars, the Council's External Auditor.

Recommendation(s):

THAT:

- 1) Members receive the Auditor's Audit Progress Report for the year ended 31 March 2022 prepared by Mazars.**

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 have undertaken work on the 2021/22 financial statements of the Council and their work is substantially complete. However, due to the ongoing fraud investigation, Mazars are unable to complete their work until the extent of the issue can be reasonably determined.
- 1.3 Mazars have now issued this report as an update on progress, and will be attending the Audit Committee meeting.

2. Proposal

- 2.1 It is proposed that the Audit Committee receive the Auditor's Audit Progress Report for the year ended 31 March 2022.

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. 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 delay. A letter explaining the reason for the delay in publication was given to the Audit chair and published in accordance with regulations on the Council's website.

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 Audit Progress Report – Year ended 31 March 2022.

Statutory Officer Approval

Approved by: Chief Financial Officer
Date: June 2023

Approved by: Monitoring Officer
Date: June 2023

