

Report to Audit Committee

Subject: Mazars - External Auditors Annual Report and the Audit Strategy and Completion Report for year ended 31 March 2024

Date: 25 February 2025

Author: Chief Finance and Section 151 Officer

1 Purpose of Report

To inform Members of the key findings arising from Mazars' (the Council's external auditors) audit work in respect of 2023/24

Recommendation:

THAT:

- 1) Members note the Mazars External Audit Report for 2023/24 and refer the report to Full Council for information.
- 2) Members note the Audit Strategy and Completion Report for 2023/24 and refer to Full Council for information.

2 Background

- 2.1 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).
- 2.2 Mazars are appointed to audit the financial statements of the Council in accordance with International Accounting standards, and under normal circumstances to form and express an opinion on whether the financial statements present a true and fair view on the Council's financial position and standing for 2023/24.

- 2.3 The introduction of the Governments measures to deal with audit backlogs (the backstop arrangements) requires The Council to publish its financial statements on or before 28 February 2025, in addition Mazars are required to provide their audit report on the 2023/24 financial statements even though they have been unable to complete the necessary audit procedures to obtain sufficient appropriate evidence on which to base their opinion. Therefore, Mazars have issued a disclaimer of opinion which means their report will not express an opinion on the financial statements and no assurance will be provided.

3 Proposal

- 3.1 The External Auditors Annual Report summarises the work undertaken for the year 2023/24 and is attached at Appendix 1.

It is proposed that the External Auditors Annual report is noted.

- 3.2 As external auditors, Mazars have completed the audit of the Council's financial statements for 2023/24, and their Audit Completion Report is attached at Appendix 2.

It is proposed that the Audit Completion Report is noted.

4 Financial Implications

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

5 Legal Implications

- 5.1 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 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

6.1 There are no equalities implications directly arising from this report

7 Carbon Reduction/Environmental Sustainability Implications

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

8 Appendices

Appendix 1 Mazars External Auditors Annual Report for year ending 31 March 2024.

Appendix 2 Audit Strategy and Completion Report for year ending 31 March 2024.

Statutory officer Approval:

Approved by: Chief Finance Officer

Date: 14.02.25

Approved by: Monitoring Officer

Date: 14.02.25