

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – 24 JULY 2019

Title of report	REPORT TO THOSE CHARGED WITH GOVERNANCE 2018/19
Contacts	<p>Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk</p> <p>Strategic Director of Housing and Customer Services 01530 454819 glyn.jones@nwleicestershire.gov.uk</p> <p>Head of Finance and Section 151 Officer 01530 454707 tracy.bingham@nwleicestershire.gov.uk</p>
Purpose of report	To consider the External Auditor’s Report to Those Charged With Governance for 2018/19.
Reason for Decision	In order to approve the Letter of Representation in relation to the 2018/19 Statement of Accounts and consider findings and recommendations laid out in the External Auditor’s report.
Council Priorities	Value for Money
Implications:	
Financial/Staff	No direct implications.
Risk Management	The Council’s governance arrangements are a fundamental part of the Authority’s management of risk and contribute towards good corporate governance.
Equalities Impact	Not applicable
Human Rights	None identified.
Transformational Government	No direct implications.
Consultees	None
Background papers	None
Recommendations	<p>THAT THE COMMITTEE:</p> <p>(A) NOTE THE EXTERNAL AUDITOR’S AUDIT COMPLETION REPORT AS SET OUT IN APPENDIX A.</p> <p>(B) APPROVE THE MANAGEMENT REPRESENTATION LETTER ATTACHED AT APPENDIX B.</p>

1.0 BACKGROUND

- 1.1 The audit of accounts commenced on 10 June 2019 following publication of the council's draft Statement of Accounts on 31 May 2019. At the time of writing this covering report, the audit is in its final stages.
- 1.2 Subject to concluding the audit, the council's external auditors, Mazars LLP, anticipate issuing an unqualified opinion on the Financial Statements and concluding that the Council had proper arrangements in place to secure economy, efficiency and effectiveness.
- 1.3 Mazars' Audit Completion Report, set out in Appendix A, details the audit findings and conclusions. The report covers the issues arising from the annual audit of accounts and any matters which are formally required to be reported under the Code of Audit Practice and International Standard of Auditing (UK and Ireland) (ISA 260) "Communication of audit matters with those charged with governance".
- 1.4 The Management Representation Letter is attached in Appendix B to this report. This letter is issued by the Council to the auditor in writing as part of audit evidence. Subject to approval by the committee, the letter will be signed by the Chair of the Committee and Section 151 Officer and confirms that the Council has provided all relevant information to the auditors.
- 1.5 Finally, given the additional workload in auditing the restated position in respect of the value of the council's housing assets, it is anticipated that fees paid for the 2018/19 external audit will be varied. At the time of writing this report, it is expected that this fee variation will be agreed after the audits completion.