

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

**AUDIT AND GOVERNANCE COMMITTEE – TUESDAY,
24 NOVEMBER 2020**



Title of Report	REPORT TO THOSE CHARGED WITH GOVERNANCE 2019/20	
Presented by	Tracy Bingham Head of Finance	
Background Papers	None	Public Report: Yes
Purpose of Report	To consider the External Auditor's Report to Those Charged With Governance for 2019/20.	
Recommendations	THAT THE COMMITTEE: (A) NOTE THE EXTERNAL AUDITOR'S AUDIT COMPLETION REPORT AS SET OUT IN APPENDIX A. (B) APPROVE THE MANAGEMENT REPRESENTATION LETTER ATTACHED AT APPENDIX B.	

1.0 BACKGROUND

- 1.1 The audit of accounts commenced on 1 September 2020 following publication of the council's draft Statement of Accounts on 14 August 2020. 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 At the time of writing this report, Mazars are unable to formally conclude the audit and issue an audit certificate as they are waiting to receive the final report in relation to the pension fund from Leicestershire County Council's external auditors. This report will provide the necessary assurance over the net pension liability included within our accounts. This may cause a delay in their ability to finalise the audit prior to the 30 November statutory deadline. A verbal update will be provided by the meeting.
- 1.4 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".
- 1.5 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 Section 151 Officer and confirms that the Council has provided all relevant information to the auditors.

- 1.6 Finally, given the additional workload in auditing the defined benefit pension schemes and valuation of property, plant and equipment and it is anticipated that fees paid for the 2019/20 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.

Policies and other considerations, as appropriate	
Council Priorities:	Effective management of the council's finances underpins the delivery of all council priorities.
Policy Considerations:	None
Safeguarding:	None
Equalities/Diversity:	None
Customer Impact:	None
Economic and Social Impact:	None
Environment and Climate Change:	None
Consultation/Community Engagement:	None
Risks:	The Council's governance arrangements are a fundamental part of the Authority's management of risk and contribute towards good corporate governance.
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