

EXTERNAL AUDIT REPORT ON 2018/19

Summary: To report the results of the external audit review of the Board's Annual Governance and Accountability Return (AGAR) for 2018/19.

Recommendation: That the Executive Committee recommends that the Board notes the results of the external audit review for 2018/19.

Officer Ref: Andy Parsons, Chief Executive.

Key Issues

1. The external auditors have approved the Board's 2018/19 AGAR with only minor comment.
2. No further action is required.

Background

3. Under the Local Audit and Accountability Act 2014, the Board is subject to an annual review by independent auditors appointed by "Smaller Authorities' Audit Appointments Ltd" (SAAA), which is the successor body to the Audit Commission in this regard.
4. Smaller authorities are subject by the SAAA to a "Limited Assurance" regime rather than a full audit. Under this regime, the auditors undertake a limited range of specified procedures to give a report that provides limited, rather than reasonable, assurance about the accounting statements. For smaller authorities of the Board's size, the level of the review is termed "Intermediate".
5. The appointed auditors for the Board are PKF Littlejohn LLP, now in the second of their five-year appointment. Their fee for the year was £2,000 plus VAT.
6. As required, the Board submitted its Annual Governance and Accountability Return (AGAR), together with supporting information, to the auditors by their 1 July deadline.
7. The auditors have now completed their review remotely from their London offices, and have reported on their findings. Their report is attached at Appendix A.
8. The report raises three minor points. Although the auditors' wording is somewhat misleading, the actual points raised are immaterial and inconsequential. It is therefore proposed that, rather than raise a formal objection, the Board should include its reservations in a wider feedback report to be sent to the auditors and to SAAA.
9. The Board has, as required, already published the auditors' report and the AGAR on the web-site, by the statutory deadline of 30 September.

Supporting Paper:

Appendix A – External Auditor Report and Certificate 2018/19