

Report To: Audit and Governance Committee

Date: 5 August 2024

Report Title: The External Auditor's (Deloitte) report on the 2019/20 Statement of Accounts

Report of: Homira Javadi, Director of Finance and Performance (S151 Officer)

Ward(s): All

Purpose of report: To review the Independent Auditor's (Deloitte) report to those charged with governance regarding the audited 2019/20 Statement of Accounts.

Officer

Recommendations:

1. To note the Independent Auditor's (Deloitte) report to those charged with governance on the Lewes District Council Accounts, and the Value for Money conclusion report;
2. To approve the LDC 2019/20 Statement of Accounts and to authorise the Director of Finance and Performance (S151 Officer) and the Chair of the Audit and Governance Committee to sign the final audited LDC 2019/20 Statement of Accounts on behalf of the Committee; and
3. To authorise the Director of Finance and Performance (S151 Officer) to sign the formal Letter of Representation to Deloitte.

Reasons for recommendations: The Council is required to produce an Annual Statement of Accounts in line with the Accounts and Audit Regulations.

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1. Introduction

1.1 This report summarises the key findings (Appendix A) arising from Deloitte's final audit work in relation to the draft Council's 2019/20 financial statements (Appendix B), and the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources ('VFM conclusion').

- 1.2 The completion of the audit was delayed, primarily due to a number of elements including limited resources and team availability to carry out the Lewes District Council accounts audit given Deloitte existing commitments to other ongoing audits.

2. 2019/20 Statement of Accounts

- 2.1 Under its terms of reference, it is the role of this Committee to review/approve the annual statement of accounts and the external auditor's report to those charged with governance, having considered whether appropriate accounting policies have been followed, and any issues raised by Deloitte from the audit of the accounts.
- 2.2 The auditors envisage issuing an unqualified audit opinion on the Council's financial statements. A number of accounting and presentational adjustments arising from normal audit work have been noted, discussed, and resolved as stated in the report.
- 2.3 Deloitte has also completed the review of the arrangements made by the Council to secure economy, efficiency, and effectiveness in the use of resources (Value for Money - VFM) and did not identify any significant VFM risks in 2019/20. Deloitte is satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2020, and did not feel it necessary to report on any particular points on value for money issues.

3. Letter of Representation 2019-20

- 2.4 Each year, on completion of the audit of the Council's Financial Statements, Director of Finance and Performance (S151 Officer) is required to submit a Letter of Representation to the Council's external auditor. The letter formally and publicly confirms the accuracy and completeness of the presented Statement of Accounts
- 2.5 A copy of the draft Letter of Representation for 2019/20 is attached at Appendix C and on receipt of the signed Letter of Representation, the Council's external auditor will formally issue an opinion on the Financial Statements.

3. Corporate plan and Council policies

- 3.1 The Corporate Plan and Council policies are considered as part of the overall Accounts and Audit Regulations requirement and the timescales.

4. Financial Appraisal

- 4.1 There are no direct financial considerations arising from this report. However, there are significant financial implications caused by the delay in the audit of these accounts.

5. Risk Management Implications

- 5.1 There are no implications arising from this report.

6. Equality Analysis

6.1 This is a routine report for which a detailed Equality Analysis is not required to be undertaken.

7. Legal Implications

7.1 The Accounts and Audit Regulations 2015 require the Statement of Accounts to be considered and approved by way of a committee resolution and thereafter published. Further comments from the Legal Services Team are not necessary for this routine monitoring report.

8. Environmental sustainability implications

8.1 There are no environmental implications from this report.

9. Appendices

9.1 Appendix A – External Auditor’s Report to the Audit and Governance Committee on the audit for the year ended 31 March 2020.
Appendix B - 2019/20 Statement of Accounts.
Appendix C - Formal Letter of Representation to Deloitte.

10. Background Papers

11.1 Draft 2019/20 Statement of Accounts