

**Report to:** Audit and Standards Committee

**Date:** 12 September 2022

**Report Title:** The Annual Audit Letter - 2018/19 External Audit

**Report of:** Chief Finance Officer

**Ward(s):** All

**Purpose of report:** To inform the Committee of the Annual Audit Letter for 2018/19.

**Officer recommendation:** The Committee is recommended to note the Annual Audit Letter for 2018/19.

**Reasons for recommendations:** The Council External Auditor is required to provide the Committee with an annual audit letter.

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## **1 Introduction**

- 1.1 The Annual Audit Letter (AAL) attached as Appendix A summarises key issues arising from the work carried out during the final audit. This report contains no new findings or recommendations, and reflects issues already reported within the 2018/19 External Audit Report to the Audit and Standards Committee.
- 1.2 Deloitte issued an unqualified opinion on the Council's financial statements on 29 June 2022. This means that Deloitte confirms that the accounts present a true and fair view of the financial position of the Council as at 31 March 2019 and its income and expenditure for the year then ended. The AAL will be circulated to all Councillors and published on the Council's website on 12 September 2022.

## **2.0 2018/19 Statement of Accounts**

- 2.1 The main message is that the auditors issued an unmodified audit opinion on the 2018/19 financial statements. The audit was conducted in accordance with the NAO Code of Audit Practice and the International Standards on Auditing (UK and Ireland) as adopted by the UK Auditing Practices Board ("APB"). The audit opinion on the accounts reflects the financial reporting framework adopted by the Council, being the Code of Practice on Local Authority Accounting in the United Kingdom 2018/19 based on IFRS and other relevant legislation.

- 2.2 The auditors also issued an unqualified VFM conclusion on 29 June 2022. The ISA 260 report to the Audit and Standard Committee in September 2021 concluded there are no material matters which Deloitte need to report in their Auditor's report on the financial statements with respect to the Council's arrangements to secure economy, efficiency and effectiveness in the use of resources.

### **3 Corporate plan and council policies**

- 3.1 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.

### **5 Legal implications**

- 5.1 Comment from the Legal Services Team is not necessary for this routine monitoring report. The Accounts and Audit (England) Regulations requires the Statement of Accounts to be considered and approved by way of a committee resolution and thereafter published.

### **6 Risk management implications**

- 6.1 There are no implications arising from this report.

### **7 Equality analysis**

- 7.1 Equality issues are considered.

### **8 Appendices**

- 8.1 Appendix A - Annual Audit Letter on the 2018/19 External Audit - Lewes District Council

### **9 Background papers**

- 9.1 2018/19 Independent Auditor's (Deloitte) Annual Governance Report on LDC Accounts and Value for Money conclusion report – ISA 260.