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<b>REPORT TO:</b>	<b>AUDIT SUB COMMITTEE - SPECIAL</b>	<b>AGENDA ITEM: 5</b>
<b>DATE OF MEETING:</b>	<b>28<sup>th</sup> NOVEMBER 2019</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR CORPORATE RESOURCES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>KEVIN STACKHOUSE (01283 595811)</b> <a href="mailto:Kevin.stackhouse@south-derbys.gov.uk">Kevin.stackhouse@south-derbys.gov.uk</a>	<b>DOC:</b> u/ks/accounts/final accounts 1819/ISO Report November 2019
<b>SUBJECT:</b>	<b>AUDIT RESULTS REPORT FOR THE YEAR ENDING 31 MARCH 2019</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: AS 05</b>

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## **1.0 Recommendations**

- 1.1 That the report of the External Auditor is considered and noted.

## **2.0 Purpose of Report**

- 2.1 For Ernst and Young (EY) as the Council's appointed auditors, to present their statutory annual report on the Council's Accounts and Financial Statements for the financial year 2018/19. This is in accordance with their duty to report their findings to management and those charged with governance under International Auditing Standard (ISA) 260.

## **3.0 Detail**

- 3.1 The Auditor's report is contained in a separate document. Audit Managers of EY will attend the meeting and present their report to the Committee.
- 3.2 In summary, the report provides details on, together with any issues arising from, the Audit of the Council's Accounts, Financial Statements and its governance arrangements for 2018/19.
- 3.3 The report provides an opinion on the Council's Accounts. Subject to any issues remaining unresolved and after consideration by the Committee, the Accounts and Financial Statements themselves will be presented to the Finance and Management Committee on 28 November 2019 for formal adoption and publication.

## **Value for Money**

- 3.4 In addition, the Auditor is also required to consider whether the Council has put in place “proper arrangements to secure economy, efficiency and effectiveness on its use of resources”, known as the value for money conclusion.

## **Letter of Representation**

- 3.5 At the end of the Audit, the Council is required to provide a Letter of Representation. This is included in the Auditor’s report. It requires the Council’s Chief Finance (Section 151) Officer to provide assurances about the status of the accounts and financial statements.
- 3.6 It also confirms that the appropriate law, regulations and codes of practice have been complied with and that no irregularities exist that could have a material effect on the financial statements.
- 3.7 Essentially, it confirms that there are no material issues or transactions known, other than those already reported and disclosed that could materially affect the accounts for 2018/19.
- 3.8 Following this and subject to any issues raised, the Section 151 Officer will officially sign the letter to finalise the Audit work for the year.

## **4.0 Financial Implications**

- 4.1 None.

## **5.0 Corporate Implications**

- 5.1 None directly.

## **6.0 Community Implications**

- 6.1 None directly.

## **7.0 Background Papers**

None