

**AUDIT & ACCOUNTS COMMITTEE**  
**2 FEBRUARY 2022**

**EXTERNAL AUDITORS' ANNUAL AUDIT COMPLETION REPORT**

**1.0 Purpose of Report**

- 1.1 To present the External Auditors supplemental letter to the Annual Audit Completion Report, presented to this committee on 1<sup>st</sup> December 2021.

**2.0 Background Information**

- 2.1 The external auditor issues an Annual Audit Completion Report (ACR) in compliance with the International Standards on Auditing. The significant findings from the audit are reported in the Annual Audit Completion Report, together with the action taken in respect of these findings. The report also gives the auditor's proposed opinion on the Statement of Accounts.
- 2.2 An updated ACR was presented to this committee at its meeting on the 1<sup>st</sup> December 2021 (first brought to this committee on the 29<sup>th</sup> September 2021) whereby the report updated the committee in the progress of the audit to that point. The outstanding item at that point, prior to being able to issue their Independent auditor's report on the financial statements, was in relation to Property, Plant and Equipment, whereby further work was necessary surrounding the inputs and judgements made by the Council's valuation expert.
- 2.3 The original report, tabled at the committee on the 29<sup>th</sup> September 2021, approved the Annual Governance Statement and the Statement of Accounts, subject to the further work necessary, and gave delegated authority to the S151 Officer and the Chairman to sign a revised set of accounts if required.
- 2.4 Once the outstanding work had been completed, the documents were duly authorised as per paragraph 2.3 and the auditors' report was received on the 6<sup>th</sup> January 2022, at which point the Council published its accounts. The opinion was as anticipated in that it was an unqualified opinion, which did include an emphasis of matter paragraph, drawing attention to disclosures relating to a material valuation uncertainty of specific property assets. No material adjustments were required post the accounts presented on the 29<sup>th</sup> September 2021, prior to the publication on the 6<sup>th</sup> January 2022.

**3.0 Audit Completion Report – Supplemental Letter**

- 3.1 The document at Appendix A is the supplemental letter to the updated Audit Completion Report presented to this Committee on the 1<sup>st</sup> December 2021.
- 3.2 The document details that all work in respect of the opinion on the financial statements has been completed.
- 3.3 Work in relation to the Whole of Government Accounts is yet to begin. This is due to the National Audit Office not confirming its requirements. Additionally to this HM Treasury are yet to release the data collection tool for the Council to complete, hence work is yet to begin in this area.

3.4 The letter also references the Annual Audit Report which is elsewhere on this agenda.

**4.0 RECOMMENDATIONS that:-**

- (a) the Committee receives the updated External Auditors Supplemental Letter to the Annual Audit Completion Report for 2020/21;**
- (b) the Committee notes the document;**
- (c) the Committee notes that the Statement of Accounts were published on the 6<sup>th</sup> January 2022.**

**Background Papers**

Nil

For further information please contact Nick Wilson, Business Manager - Financial Services on extension 5317.

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