

TITLE: EXTERNAL AUDIT – UPDATE REPORT

Committee: Finance and Assets Committee

Date: 26th September 2019

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[U62]

1. ISSUE

- 1.1 To bring Committee up to date with the latest information surrounding the external audit of the Council's statutory accounts.

2. RECOMMENDATION (S)

- 2.1 Members are requested to note the report.

3. BACKGROUND/OPTIONS

- 3.1 Suresh Patel attended Committee on the 25th July to inform Councillors that Ernst and Young (EY) were going to be unable to start the Council's statutory audit by the 31st July deadline, by when it should be completed, as a consequence of significant resourcing issues within the company. Mr Patel further informed Committee that the audit would be completed in October, with the Audit report coming to the meeting on the 28th November.
- 3.2 The Council has since had further communication with EY and have now been given a start date for the on-site audit of the 14th October, although EY are planning to undertake a significant amount of remote testing in advance of this date.
- 3.3 It is still the understanding that EY will be reporting back to Committee on the 28th November with all audit work having been completed.
- 3.4 As agreed at Committee on the 25th July, the Chairman has also written to Public Sector Audit Appointments (PSAA) Limited expressing the Council's disappointment in the position that it now finds itself, i.e. with no audited statutory accounts for 2018/19 and the potential reputational damage that this could cause the Council. No reply had been received from PSAA at the time of writing this report.

4 FINANCIAL IMPLICATIONS / EQUALITY IMPACT ASSESSMENT

- 4.1 There are no financial implications linked to this report.

AGENDA ITEM NO 6

4.2 Equality Impact Assessment (INRA) not required.

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
EY Briefing – Local government audit committee briefing (as attached as appendix 1)	Room 104 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: ian.smith@eastcambs.gov.uk