

## **8. EXTERNAL AUDIT 2018/19 ANNUAL REPORT (A137/21/DH)**

### **1. Purpose of the report**

This report asks Members to consider the External Auditors' (Mazars) 2018/19 annual report. John Pressley, of Mazars will be at the meeting to present his report. The related reports on the statement of accounts and annual governance statement follow.

#### **Key Issues**

##### **Key issues include:**

- **The External Auditor expects to give an unqualified audit opinion on the 2018/19 financial statements.**
- **The External Auditor will also report that the Annual Governance Statement for 2018/19 complies with the guidance issued by CIPFA/SOLACE (Chartered Institute of Public Finance and Accountancy/Society of Local Authority Chief Executives) and anticipates issuing an unqualified Value For Money (VFM) conclusion.**
- **The External Auditor requires a signed copy of the management representation letter at Appendix A of Annex A prior to issuing his audit opinion.**

### **2. Recommendations(s)**

- 1. To consider and note the External Auditor's report at Annex A.**
- 2. To note the letter of management representation at Appendix A of Annex A to be signed by the Chief Finance Officer.**

#### **How does this contribute to our policies and legal obligations?**

- 3. The work of the External Auditors is a key part of our governance arrangements and helps us to monitor and improve performance to ensure the Authority has a solid foundation supporting achievement of our outcomes, as set out in the Corporate Strategy, by making sure the Authority is an agile and efficient organisation. Achieving an unqualified opinion on the financial statements and satisfying the Auditor that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources are corporate performance indicators.**

#### **Background Information**

- 4. The duties and powers of auditors are set out in the Local Audit and Accountability Act 2014, the Local Government Act 1999, the Statement of Responsibilities of Auditors and Audited Bodies and the Code of Audit Practice. Considering the Auditor's report is part of the agreed National Park Authority work programme.**

#### **Proposals**

- 5. The full report for consideration is given at Annex A, a copy of which is to follow.**
- 6. The auditor plans to issue an audit report that includes an unqualified opinion on the financial statements subject to the National Park Authority considering this report, approving the financial statements and receiving the letter of management**

representation at Appendix A of Annex A.

7. The Chief Finance Officer has responded to a number of issues raised by the Auditors as given in his report that follows.

**Are there any corporate implications members should be concerned about?**

**Financial:**

8. The fees for External Audit are funded from the existing Finance Services budget. The audit fee for this year's audit is £10,208 plus VAT.

**Risk Management:**

9. The scrutiny and advice provided by External Audit is part of our governance framework. The Auditor's work is based on an assessment of audit risk. Annex A describes the Auditor's conclusions against the risks identified in the 2018/19 audit plan.

**Sustainability:**

10. There are no issues to highlight.

**Equality:**

11. There are no issues to highlight.

**12. Background papers (not previously published)**

None

**13. Appendices**

Annex A. External Audit (Mazars) 2018/19 Annual Report. (To follow)

Appendix A of Annex A - Letter of management representation. (To follow)

**Report Author, Job Title and Publication Date**

David Hickman, Director of Corporate Strategy and Development, 11 July 2019