



Report to: Audit and Governance Committee, 18th September 2019

Report of: Head of Finance

Subject: EXTERNAL AUDIT – ANNUAL AUDIT LETTER 2018/19

1. Recommendation

1.1 That Audit Committee note the details of the Annual Audit Letter (AAL) for 2018/19.

2. Background

2.1 The AAL summarises the key messages from the work our external auditors (Ernst Young) have carried out for the City Council for the year ended 31st March 2018/19. The AAL is enclosed at **Appendix 1**.

2.2 The AAL summarises the key findings arising from the External Auditor's work on:

- i. Financial Statements;
- ii. Value for Money Conclusion;
- iii. Whole of Government Accounts submission;
- iv. Certification of Grant Claims and Returns; and,
- v. Audit Fees and Audit Certificate

3. Information

3.1 In summary, our external auditors have provided an unqualified opinion (i.e. a 'clean bill of health') on our Financial Statements, our Value for Money arrangements and our Whole of Government Accounts submission. An Audit Certificate was issued on 31st July 2019.

3.2 Work is currently underway on the Grant Claims & Returns audit. There are no issues to highlight at present, and a final report will be provided to the next Audit Committee meeting.

3.3 External Audit Fees for 2018/19 planned and charged to date are £41,071. However additional audit work was required in respect of changes to future pensions costs arising from legal judgements made at the time of the audit. The cost of this additional work has not yet been advised by the auditor.

Ward(s): All
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Background Papers: None