

EXTERNAL AUDITOR'S ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2022

**To:**

Civic Affairs Committee 08/02/2023

Report by:

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Wards affected:

All

1. Introduction

- 1.1 The attached Auditor's Annual Report from EY (Appendix 1) summarises the key issues arising from the external audit of the 2021-22 Statement of Accounts.
- 1.2 The Local Audit and Accountability Act 2014 requires the Auditor's Annual Report to be considered by a committee of the Council. For this Council, the relevant committee is the Civic Affairs Committee.

2. Recommendations

- 2.1 To note the contents of the Auditor's Annual Report for the year ended 31 March 2022.

3. Background

- 3.1 The Committee received EY's Audit Results Report at its meeting on 3 November 2022. At the time of issuing the report, there were a number of areas of outstanding audit work to complete before the Statement of Accounts could be signed off. Authority was therefore delegated to the Chair, in consultation with the Opposition Spokes, to approve any further amendments to the Statement of Accounts (provided that these did not have a material impact on the Council's usable reserves or result in any changes to the auditor's opinion).

- 3.2 Audit work was completed following the meeting and the Statement of Accounts 2021/22 was authorised for issue by the Head of Finance and Chair of the Civic Affairs Committee on 30 November 2022. The audit opinion, which was unqualified, was issued on the same date.
- 3.3 The audited Statement of Accounts was published on the Council's website on 30 November 2022, in line with the statutory deadline. The Council was amongst only 12% of local authorities to publish their Statement of Accounts on time this year.
- 3.4 The requirement for the external auditors to produce an Annual Report is set out in the Code of Audit Practice issued by the National Audit Office. The 2021/22 report is attached at Appendix 1, and a representative from EY will be present at the meeting to answer any questions.
- 3.5 Page 16 of the annual report explains that the final audit fee for 2021/22 has not yet been confirmed and will be discussed with officers in due course. Any additional fee to be charged will need to be agreed by PSAA Ltd, in their role as appointing body. The report does now confirm the final audit fee in respect of 2020/21, for which the PSAA determination process has been completed.

4. Implications

a) Financial Implications

See paragraph 3.5.

b) Staffing Implications

None.

c) Equality and Poverty Implications

None.

d) Net Zero Carbon, Climate Change and Environmental Implications

None.

e) Procurement Implications

None.

f) Community Safety Implications

None.

5. Consultation and communication considerations

The Auditor's Annual Report has been published on the Council's website as required by legislation.

6. Background papers

No background papers were used in the preparation of this report.

7. Appendices

Appendix 1 – Auditor’s Annual Report 2021-22

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Neil Krajewski, Deputy Head of Finance, tel: 01223 - 458130, email: neil.krajewski@cambridge.gov.uk.