

AUDIT AND GOVERNANCE COMMITTEE

5th SEPTEMBER 2022

Report Title	Audit Results Report 2020-2021 East Northants District Council	
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Contributors/Checkers/Approvers		
North MO		
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Other Director/SME	N/a	N/a

List of Appendices

Appendix A – ISA 260

1. Purpose of Report

- 1.1. The purpose of this report is to present the draft ISA 260 Report in relation to the Statement of Accounts for the East Northants District Council for 2020/21 to those charged with Governance.

2. Executive Summary

- 2.1. This report requires the Committee to approve the Provisional Audit Results Report (draft ISA 260) and the Council's draft Management Representation Letter.

3. Recommendations

- 3.1. It is recommended that the Committee.

- a) Receives the Provisional Audit Results Report to those charged with Governance.
- b) Delegate any adjustments to the draft Management Representation Letter to the Councils Executive Director of Finance (s151 Officer), in consultation with the Chair of the Audit & Governance Committee.

- 3.2. Reason for Recommendations –

- It is a statutory requirement for the Council to approve the ISA 260. In accordance with the Council's constitution the Audit & Governance Committee are required to undertake this function.

4. Report Background

- 4.1. The Councils governance arrangements require this Committee to receive and approve the Statement of Accounts for the former District and Borough Councils in North Northamptonshire.
- 4.2. The accounts for East Northants District Council remain in draft format as the following issues are to be concluded:
 - Property Valuations – conclusion of specialist valuations by EY
 - Review of NNDR Appeal provision
 - Investment Confirmations
 - Sample testing in relation to Income, expenditure, debtors and creditors
 - Finalisation of internal review procedures
 - Completion of subsequent events review
 - Signed management representation letter
- 4.3. A further requirement is for the Council to provide representations on specific matters such as the Councils financial standing and whether the transactions within the accounts are legal and unaffected by fraud. The draft Management Representation Letter detailed at Appendix B sets out that the accounts have been prepared in accordance with statutory legislation and fairly represent the transactions of the Council and no additional disclosures are required in the financial statements, over and above those already disclosed. A final Management Representation Letter will be issued once the items in 4.2 are concluded.
- 4.4. A representative of the Council's appointed auditor will be at the meeting to present the report and answer Member questions.

5. Issues and Choices

- 5.1. The Committee is being requested to approve the provisional Audit Results Report (draft ISA 260) for East Northants District Council and delegate any adjustments to the draft Management Representation Letter to the Councils Executive Director of Finance (s151 Officer), in consultation with the Chair of the Audit & Governance Committee.
- 5.2. It is a statutory requirement for the Council to approve the annual Statement of Accounts and to consider the External Auditors report (Item 5 on this Agenda). In accordance with the Council's constitution the Audit & Governance Committee are required to undertake this function.

6. Implications (including financial implications)

6.1. **Resources and Financial**

6.1.1. The financial implications are set out within the Provisional Audit Results Report.

6.2. **Legal**

6.2.1. The approval of the ISA 260 is required for the Council to meet its legal responsibilities under the Accounts and Audit Regulations 2015.

6.3. **Risk**

6.3.1. The Council's External Auditors have set out the risks in their Provisional Audit Results Report (Appendix A).

6.4. **Consultation**

6.4.1. None specific to this report.

6.5. **Consideration by Scrutiny**

6.5.1. Not specific to this report.

6.6. **Climate Impact**

6.6.1. None specific to this report.

6.7. **Community Impact**

6.7.1. None specific to this report.

7. Background Papers

7.1. Council Constitution.