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NON-EXEMPT

# HAVANT BOROUGH COUNCIL

AUDIT & FINANCE COMMITTEE

20 October 2022

## EXTERNAL AUDITORS ANNUAL REPORT (year ended 31 March 2021)

### FOR NOTING

Portfolio Holder: Cllr Denton

Key Decision: No

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Report Number: HBC/086/2022

#### **1. Purpose**

- 1.1. This paper is submitted to Audit & Finance Committee to provide an update of the work undertaken by our external auditors, Ernst and Young, throughout the 2020/21 financial year. Key outcomes and findings are detailed within the report which is shown as Appendix A.

#### **2. Recommendation**

- 2.1. Members are requested to note the external auditor report for year ended 31 March 2021.

#### **3. Executive Summary**

- 3.1. Ernst and Young are the appointed external auditor for Havant Borough Council as determined through the Public Sector Audit Appointments, (PSAA), Framework.

3.2. The auditors provide an independent opinion on the council's financial statements, going concern status, annual governance statement and our approach for delivering value for money in the way in which the council operates.

3.3. Ernst and Young issued a (2020/21) Audit Results Report dated 19 July 2022 to the Audit and Finance Committee on 28 July 2022. In this work they issued an unqualified opinion concluding that: *the financial statements give a true and fair view of the financial position of the Council as at 31 March 2021 and of its expenditure and income for the year then ended. The financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21*

#### **4. Additional Budgetary Implications**

4.1. None.

#### **5. Background and relationship to Corporate Strategy and/or Business Plans**

5.1. The Council promotes and encourages strong governance throughout its operations and decision making. Having a robust, and independent, internal and external audit service are core components of such governance.

#### **6. Options considered**

6.1. Not applicable

#### **7. Resource Implications**

7.1. Financial Implications

The relevant funding for commissioning external audit services is established within the Council's base revenue budget

## 7.2. Legal Implications

### **Monitoring Officer comments**

Date:

## **8. Risks**

- 8.1. The core purpose of the Audit Committee's remit is to provide assurance regarding the authority's governance arrangement. Our external auditors consider relevant risk factors when determining the extent of coverage of their work on the council's financial statements.

## **9. Consultation and Communication**

- 9.1. Update reports from our external auditors are included within the council's published papers and are placed on the council's website.

## **10. Appendices**

- 10.1. Appendix A – Ernst and Young Auditor Report for the year ended 31 March 2021

Agreed and signed off by:

Monitoring Officer: Mark Watkins (insert date)

Section 151 Officer: Malcolm Coe (11/10/2022)