

Report of the Treasurer

Annual Audit Letter 2019/20

Purpose of report

1. To present the Annual Audit Letter 2019/20 from External Auditors, Grant Thornton UK LLP.

Recommendation

The Treasurer recommends that:

- i. ***the Annual Audit Letter 2019/20 from External Auditors, Grant Thornton UK LLP be noted; and***
- ii. ***the additional audit fee is noted***

Introduction and Background

2. Under the Local Audit and Accountability Act 2014, the Auditor's key responsibilities are to :
 - give an opinion on the Authority's financial statements;
 - assess the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion).
3. The Auditors undertake a risk assessment to identify any significant risks which need to be addressed before the value for money conclusion is reached. The Auditors assess the Authority's financial resilience as part of their work on the value for money conclusion.
4. The Annual Audit Letter summarises the findings from the 2019/20 audit.

Audit Opinion

5. An unqualified opinion on the Authority's 2019/20 financial statements was issued on 10 November 2020. The later than usual date reflected the revised Regulations for this year. The financial statements were considered to give a true and fair view of the Authority's financial position and that the financial statements presented for audit were basically sound.
6. No significant issues were found with the primary statements, however, a significant late Post-Balance Sheet event (in connection with

McCloud/Sargeant) required a material adjustment to those statements and this was undertaken without creating any further issues.

7. The Engagement Lead issued an unqualified Value for Money Conclusion on 10 November 2020 as work did not identify any matters which indicated that the Authority did not have proper arrangements in place for securing economy, efficiency and effectiveness.
8. The Engagement Lead was satisfied on the basis of his work that in all significant respects Hereford & Worcester Fire and Rescue Authority has put in place proper arrangements to secure value for money in its use of resources for the year ending 31 March 2020.

Audit Fee

9. The auditor has identified additional fees arising from the complications in carrying out the audit remotely under Covid conditions. This factor is common to most audits this year.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	None
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None
Consultation (identify any public or other consultation that has been carried out on this matter)	None
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

Supporting Information

Appendix 1 – Annual Audit Letter 2019/20 from Grant Thornton UK LLP