



Annual Audit Letter on the 2019/20 External Audit Lewes District Council

9 August 2024

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1 Letter to Members

The Members
Lewes District Council
Southover Grange Oxted,
Southover Road, Lewes,
BN7 1AB.

09 August 2024

Dear Sirs,

This Annual Audit Letter summarises the key matters arising from the work that we carried out in respect of the audit for the year ended 31 March 2020.

Although this letter is addressed to the Members of Lewes District Council ("the Council"), it is also intended to communicate the significant issues we identified in an accessible style to key external stakeholders including members of the public. The letter will be published on the Council's website.

This letter has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by Public Sector Audit Appointments Ltd. This is available from www.psaa.co.uk.

This letter has been reviewed and agreed with the Chief Finance Officer. A copy of the letter will be provided to all Members.

We would like to take this opportunity to thank management for the assistance and support through the audit process.

Yours faithfully,



Ben Sheriff
Associate Partner
for and on behalf of Deloitte LLP
London, United Kingdom

2 Key Messages

Statement of Accounts	
Unqualified opinion (with an “emphasis of matter” paragraph referencing the material uncertainty over property valuations) on the Statement of Account	<p><u>Statement of Accounts</u></p> <p>In 2019/20 the Authority was required to prepare its Statement of Accounts in accordance with International Financial Reporting Standards (“IFRS”) as defined in the Code of Practice on Local Authority Accounting in the United Kingdom and other relevant legislation.</p> <p>Our audit opinion on the financial statements was unqualified.</p> <p>As a result of the circumstances of the pandemic impacting property valuations, the Council’s valuer had identified a “material valuation uncertainty” over property valuations, and accordingly we included an “emphasis of matter” paragraph drawing attention to the Council’s disclosures in respect of this.</p> <p>Our opinion includes a section on “other information” in the statement of accounts such as the narrative report. Our responsibility is to read the other information and to consider whether it is materially consistent with the financial statements or our knowledge of the Council. We did not report any issues in respect of these matters.</p>
Value for Money (“VfM”) conclusion	
No issues were identified in relation to this work	<p>We are required to base our statutory VfM conclusion on the criteria specified by the National Audit Office. This is an evaluation of whether the Authority has in place proper arrangements to ensure properly informed decisions were taken and the Authority deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.</p> <p>On the basis of our work, having regard to the guidance issued by the Auditor General in April 2020, we are satisfied that, in all significant respects, Lewes District Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020</p>
Annual Governance Statement and Other Information	
No issues were identified in relation to this work	<p>As appointed auditors, we review the Annual Governance Statement (“AGS”) and other information presented with the financial statements to check that information is consistent with the financial statements. We do not have any findings to report in relation to this.</p>
Powers and Duties	
We did not receive any objections about the	<p>Under the Local Audit and Accountability Act 2014, auditors have specific powers and duties, including to give electors the opportunity to raise questions about the accounts and to consider and decide upon objections</p>

<p>accounts and have not issued any public interest reports.</p>	<p>received in relation to the accounts. We did not receive any such objections.</p> <p>We have a duty to consider whether to issue a report in the public interest about something we believe the Authority should consider, or if the public should know about.</p> <p>We did not identify any matters which we considered warranted a public interest report or identify any items of account that may be unlawful. We also did not identify any matters impacting our financial statement or value for money opinions.</p>
<p>Audit findings</p>	
<p>We reported significant weaknesses in internal control and other findings to the Audit and Governance Committee</p>	<p>International Standards on Auditing (UK) require us to communicate in writing to those charged with governance the significant findings from our audit. In respect of the Authority’s audit for 2019/20, there were a number of internal control recommendations and findings that we brought to the attention of the Audit and Governance Committee.</p>
<p>Independence and Objectivity</p>	
<p>Independence and objectivity</p>	<p>In our professional judgement the policies and safeguards in place ensure that we are independent within the meaning of all regulatory and professional requirements and that the objectivity of the audit partner and audit staff is not impaired.</p>
<p>Audit Certificate</p>	
<p>We have issued our certificate</p>	<p>We have issued our certificate. The certificate confirms that we have concluded the audit for 2019/20 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.</p>

3 Responsibilities and Scope

Responsibilities of the Authority and Auditors

The Authority is responsible for maintaining the control environment and accounting records and preparing the accounting statements in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 based on IFRS and other relevant legislation.

We are appointed as the Authority's independent external auditors by PSAA, the body responsible for appointing auditors to local public bodies in England where they have opted into this programme.

As the Authority's appointed external auditor, we are responsible for planning and carrying out an audit that meets the requirements of the National Audit Office's Code of Audit Practice ("the Code"). Under the Code, we have responsibilities in two main areas:

- auditing the Authority's accounts; and
- evaluating whether the Authority has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources (the value for money ("VFM") conclusion).

The scope of our work

We conducted our audit in accordance with International Standards on Auditing (UK) as adopted by the UK Auditing Practices Board ("APB"). The audit opinion on the accounts reflects the financial reporting framework adopted by the Authority, being the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 based on IFRS and other relevant legislation.

We conducted our work on the 2019/20 VFM conclusion in line with guidance issued by the National Audit Office in April 2020.

4 Other Matters

Reports issued

Reports issued during the 2019/20 audit included:

- (1) Reports to the Audit committee:
 - Annual Audit Plan issued on 26 June 2020;
 - Final report to the Audit committee issued on 11 July 2024 updating on finalised positions.
- (2) Correspondence on the progress of the audit
- (3) This Annual Audit Letter.

Statement of Responsibilities

The Statement of Responsibilities of Auditors and Audited Bodies issued by PSAA explains the respective responsibilities of auditors and of the audited body and this report is prepared on the basis of, and our audit work is carried out in accordance with, that statement.

The matters raised in this report are only those that came to our attention during our audit and are not necessarily a comprehensive statement of all weaknesses that exist or of all improvements that might be made. You should assess recommendations for improvements for their full implications before they are implemented.

This report is made solely to the members of the Authority, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility, or liability to any other party.

An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the Annual Audit Letter since first published. These matters are the responsibility of the Authority but no control procedures can provide absolute assurance in this area.



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