

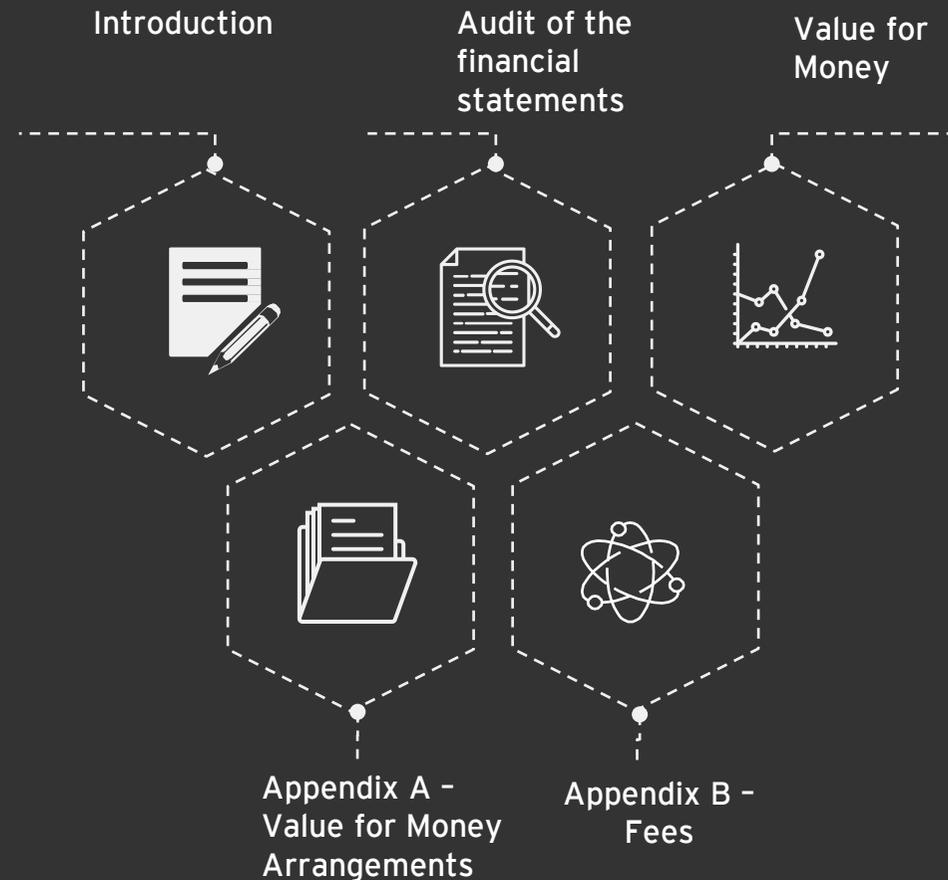


**Huntingdonshire
District Council**

Auditor's Annual Report

Year ended 31 March 2022

Contents



Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (<https://www.psa.co.uk/audit-quality/statement-of-responsibilities/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated July 2021)" issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the Corporate Governance Committee and management of Huntingdonshire District Council in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to Corporate Governance Committee and management of Huntingdonshire District Council those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than Corporate Governance Committee and management of Huntingdonshire District Council for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



Introduction

Purpose

The purpose of the auditor's annual report is to bring together all of the auditor's work over the year. A core element of the report is the commentary on value for money (VFM) arrangements, which aims to draw to the attention of the Council, or the wider public, relevant issues, recommendations arising from the audit and follow-up of recommendations issued previously, along with the auditor's view as to whether they have been implemented satisfactorily.

Responsibilities of the appointed auditor

We have undertaken our 2021/22 audit work in accordance with the Audit Plan that we issued on 9 August 2022. We have complied with the National Audit Office's (NAO) 2020 Code of Audit Practice, other guidance issued by the NAO and International Standards on Auditing (UK).

As auditors we are responsible for:

Expressing an opinion on:

- The 2021/22 financial statements;
- Conclusions relating to going concern; and
- The consistency of other information published with the financial statements, including the narrative statement.

Reporting by exception:

- If the governance statement does not comply with relevant guidance or is not consistent with our understanding of the Council;
- If we identify a significant weakness in the Council's arrangements in place to secure economy, efficiency and effectiveness in its use of resources; and
- Any significant matters that are in the public interest.

Responsibilities of the Council

The Council is responsible for preparing and publishing its financial statements, narrative statement and annual governance statement. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.



Introduction (continued)

2012/22 Conclusions

Financial statements	Unqualified - the financial statements give a true and fair view of the financial position of the Council as at 31 March 2022 and of its expenditure and income for the year then ended. We issued our auditor's report on the 28 September 2023.
Going concern	We have concluded that the Director of Finance and Corporate Resources' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Consistency of the other information published with the financial statement	Financial information in the narrative statement and published with the financial statements was consistent with the audited accounts.
Value for money (VFM)	We had no matters to report by exception on the Council's VFM arrangements. We have included our VFM commentary in Section 03 and Appendix A.
Consistency of the annual governance statement	We were satisfied that the Annual Governance Statement was consistent with our understanding of the Council.
Public interest report and other auditor powers	We had no reason to use our auditor powers.
Whole of government accounts	We have performed the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts and submitted the Assurance Statement to the NAO on the 28 September 2023. The NAO as group auditor has not yet confirmed whether any further assurances or procedures will be required from us as component auditors of Huntingdonshire District Council. We will liaise with the Council if and when any additional procedures are required.
Certificate	We cannot formally conclude the audit and issue an audit certificate until the NAO as group auditor has confirmed that no further assurances will be required from us as component auditors of Huntingdonshire District Council

Audit of the financial statements

Key findings

The Narrative Statement and Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

On 28 September 2023, we issued an unqualified opinion on the financial statements. We reported our interim detailed findings to the Governance Committee on the 19 April 2023 and issued a final Audit Results Report on the 13 September 2023. The detailed findings from our audit are contained within the Audit Results Report.

We outline below the key issues identified as part of our audit, reported against the significant risks that we included in our Audit Plan. We did not report any internal control recommendations or areas for improvement in the control environment in the Audit Results Report.

Significant risk

Conclusion

Risk of fraud in revenue and expenditure recognition

Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We had no matters to report.

Misstatements due to fraud or error - inappropriate capitalisation of revenue expenditure including Revenue Expenditure Funded from Capital Under Statute (REFCUS)

On every audit engagement, we expect at least one of the identified significant risks to have an element of management override. Where this element has been identified, we must be specific about the risk (management bias, management optimism, etc.) and ensure we design our procedures to address this risk.

Our work did not identify any material weaknesses in the design of controls or evidence of material misstatements, whether due to fraud or error, related to the inappropriate capitalisation of revenue expenditure.

Our work did not identify any instances of inappropriate judgements being applied.

Our work did not identify any other transactions during our audit which appeared unusual or outside the Council's normal course of business.

Payroll System Implementation

We have identified during the course of the audit that the Council has changed payroll systems this presents a risk around the appropriate migration of payroll data between systems.

We had no matters to report.

Land & Buildings and Investment Property

In addition, in respect of our audit procedures for Property, Plant & Equipment (an inherent audit risk area) - we identified significant issues with the Council's Fixed Asset Register. This was specific to Land & Buildings and Investment Property valuations. We identified a number of issues relating to the basis of valuations and the recording of valuation movements within the fixed asset register. A data cleansing exercise was performed by Management on the Fixed Asset Register and additional audit procedures were required to gain sufficient, appropriate evidence over the carry values of the Council's asset base at the 31 March 2022.

Our Audit Results Report sets out the full fact pattern of our findings and sets out the 7 audit differences that were corrected within the authorised set of financial statements.

We did not identify any risks of significant weaknesses in the Council's VFM arrangements for 2021/22.

Scope

We are required to report on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. We have complied with the guidance issued to auditors in respect of their work on value for money arrangements (VFM) in the 2020 Code of Audit Practice (2020 Code) and Auditor Guidance Note 3 (AGN 03). We presented our VFM risk assessment to the Governance & Audit Committee meeting on the 19 April 2023, which was based on a combination of our cumulative audit knowledge and experience, our review of Council committee reports, meetings with the relevant finance officers and evaluation of associated documentation through our regular engagement with Council management and the finance team. We re-confirmed this assessment within our Audit Results Report dated 13 September 2023.

Reporting

We completed our risk assessment procedures in January 2023 and did not identify any significant weaknesses in the Council's VFM arrangements. We did not identify any significant risks during the course of our audit. As a result, we had no matters to report by exception in the audit report on the financial statements.

Our commentary for 2021/22 is set out over pages 7 to 8. The commentary on these pages summarises our conclusions over the arrangements at the Council in relation to our reporting criteria (see below) throughout 2021/22. Appendix A includes the detailed arrangements and processes underpinning the reporting criteria. These were reported in our 2020/21 Annual Auditors Report and have been updated for 2021/22, where applicable.

In accordance with the NAO's 2020 Code, we are required to report a commentary against three specified reporting criteria:

Our VFM commentary highlights relevant issues for the Council and the wider public.

Reporting criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
Financial sustainability: How the Council plans and manages its resources to ensure it can continue to deliver its services	No significant risks identified	No significant weaknesses identified
Governance: How the Council ensures that it makes informed decisions and properly manages its risks	No significant risks identified	No significant weaknesses identified
Improving economy, efficiency and effectiveness: How the Council uses information about its costs and performance to improve the way it manages and delivers its services	No significant risks identified	No significant weaknesses identified

We have no matters to report by exception in the audit report.



Value for Money (continued)

Financial Sustainability: How the Council plans and manages its resources to ensure it can continue to deliver its services

During 2021/22 the Council have continued to manage the impact of Covid on finances, as well as additional challenges towards the end of the financial year such as the war on Ukraine and supporting the arrival of refugee guests impacted by the conflict, and the cost-of-living crisis linked to inflation. The direct financial impact of the pandemic has lessened from previous years, as the immediate business response to Covid has slowed.

The general fund revenue position is an underspend of £2.012 million against the revised budget of £20.752 million. There were net underspends on services mainly relating to the Corporate Resources directorate of £0.933 million and the Head of Operations directorate of £0.911 million. These underspends were supported by quicker than anticipated recovery of income streams such as parking and tenant retention after COVID-19.

Throughout the year, the Council have continued to revisit and monitor financial plans to ensure they have sufficient resources to deliver services. The Medium Term Financial Plan was revisited and updated as part of the 2022/23 budget setting process to capture 2021/22 outturn variations.

During the 2021/22 budget setting process, due to the unavoidable growth impacting the net expenditure, the Council no longer found that the 15% of net expenditure was an appropriate basis for setting the minimum General Fund Reserve balance. Therefore a fixed General Fund Reserve has been proposed at £2.175 million. At the 31 March 2022, the Council held a General Fund Reserve balance of £2.175 million and had further Earmarked General Fund reserves of £27.788 million, which provides a strong level of resource cover, if future savings are not identified or achieved in each of the 5 financial years of the Medium Term Financial Strategy, to allow the Council to continue to deliver services.

The Council should continue to monitor its financial performance and continue to identify relevant schemes to achieve the annual savings requirements to minimise the use of reserves where possible.

Conclusion: Based on the work performed, the Council had proper arrangements in place in 2021/22 to enable it to plan and manage its resources to ensure that it can continue to deliver its services.



Value for Money (continued)

Governance: How the Council ensures that it makes informed decisions and properly manages its risks

The Council have continued to manage governance considerations in response to the pandemic and other external pressures. The Authority reviewed the Budget Setting Report and Medium Term Financial Plan in February 2021 at Cabinet, which were prepared on the basis of submissions from the Huntingdonshire Leadership Team and Budget Managers. Performance against the budget and Corporate Plan are then review quarterly to identify areas of risk and mitigation plans.

The Council's Annual Governance Statement sets out the core governance arrangements for the year, including an Action Plan, which demonstrates how the Council's Code of Governance reflects the seven principles of good governance. The Head of Internal Audit concluded that for the 2021/22 financial year, 'reasonable assurance' could be awarded over the adequacy and effectiveness of the Authority's overall internal control environment.

Conclusion: Based on the work performed, the Council had proper arrangements in place in 2021/22 to enable it to make informed decisions and properly manage its risks.

Improving economy, efficiency and effectiveness: How the Council uses information about its costs and performance to improve the way it manages and delivers its services

The Council have continued to deliver their Corporate Plan which directs the vision, principles, and strategic objectives of the Council from 2018 to 2022. The Council developed an interim Corporate Plan for 2022/23, which was approved at the 19 July 2022 Cabinet Meeting. This plan was developed following the local elections to allow the new administration to engage with key stakeholders in the development of a full Corporate Plan for 2023 to 2028 across their full term. This was then presented and approved at the 21 March 2023 Cabinet meeting.

The Corporate plan sets out key priorities and assigns key actions to be monitored against. These actions are updated each year as part of Cabinet review of the corporate plan.

Performance reporting is maintained against these key priorities, with regular reporting on performance and finances taken to the Cabinet throughout the year to continuously monitor performance. This performance information is available to the public, but also allows for key information to be considered as part of decision making on service delivery.

Conclusion: Based on the work performed, the Authority had proper arrangements in place in 2021/22 to enable it to use information about its costs and performance to improve the way it manages and delivers services.

Appendices

Appendix A - Summary of arrangements

Financial Sustainability

Reporting Sub-Criteria	Findings
How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them	The Chief Financial Officers prepares and submits a Medium Term Financial Plan to the Council and Cabinet. The MTFP provides a projection of the costs of delivering services over the proceeding 5 years. It also identifies any budget gaps that the Council will need address through savings plans or the generation of additional income. The MTFP considers key assumptions including Council Tax and Business Rates, payroll, inflation, government grants, revenue contribution to capital, housing benefit, capital financing budget and short-term growth. The MTFP is designed to ensure that council maintains a prudent level of general fund reserves which was historically set at the minimum level of 15% of net expenditure, but has now been set at a fixed level Of £2.175 million.
How the body plans to bridge its funding gaps and identifies achievable savings	Funding gaps are identified as part of the MTFP and annual budget setting process. Service area heads consider saving items and efficiencies within their budget submissions. The Council also develops an efficiency plan covering a four year period which focuses on the generation of additional income through financial levers including council tax, commercial investment, and fees and charges. The Council engages in quarterly performance reporting to identify variances between the budget and forecast that can result in financial resilience risks and determines mitigating actions as required. The Council approved a net expenditure budget of £20.686 million in February 2021. The year-end financial outturn report for 2021/22 shows that an underspend of £2.012 million which was partly due to income streams recovering quicker than anticipated. We also reviewed the 2022/23 budget and MTFS for 2023/24 to 2026/27 which was approved in Feb 2022. The 2022/23 budget plan saw a net increase in the Council's budget of £0.828 million (4%) at £21.545 million, which includes a Council Tax increase of 3.43% for a Band D property.
How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	The Council has a Corporate Plan which sets out its priorities over a five year period. The delivery of the plan is monitored through quarterly performance reporting to the Cabinet. Resources to ensure delivery of the plan are allocated to prioritised areas through the MTFP and annual budget setting process. The Corporate Plan is reviewed on an annual basis to ensure the relevance of key activities and measures within it.
How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system	The Council prepares a MTFP that aligns with the Corporate Plan to ensure that financial resources are assigned to the delivery of the Council's service priorities. The MTFP addresses revenue and capital expenditure over the medium term encapsulating the treasury management strategy, commercial investment strategy, and capital strategy. These strategies are all reviewed annually for alignment as part of the budget setting process.

Appendix A - Summary of arrangements

Financial Sustainability (continued)

Reporting Sub-Criteria	Findings
How the body identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans	Risk management is embedded throughout the Council and in its partnership working arrangements. The Council maintains a Risk Management Strategy and Risk Registers that identify the potential risk, level of risk based on probability and impact, owner of the risk, and mitigation actions. These risk registers are reviewed by the O&S Panel and then presented to Cabinet. Financial performance reports are further created and delivered to cabinet on a quarterly basis for discussion. The reports identify variances between budget and forecast at a directorate level. The Council also maintains a robust Treasury Management Strategy addressing risks related to liquidity, interest rate exposure, and maturity of borrowings. Treasury reports are given to the Cabinet semi-annually.

Appendix A – Summary of arrangements (continued)

Governance

Reporting Sub-Criteria

Findings

How the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

The Council employs a Risk Management Strategy and Corporate Risk Registers that are aligned with the Corporate Plan. The Council has a Risk and Controls Officer who runs the Risk and Controls Group. The Council's Internal Audit (IA) function measures and assess areas for inclusion in the Audit Plan, by looking at risk indicators including number of transactions, number of staff, turnover of staff, performance of staff and service delivery, known issues, intelligence from other councils, and intelligence provided by the Risks and Controls Group. IA carry out an annual programme of audits based on the findings from review of risk indicators. These audits test the sufficiency of internal controls and consider potential for fraud throughout the audits. The Council is also part of the National Fraud Initiative and completes submissions regularly back to central government.

The Council reports on the design and operations of its governance arrangements through Annual Governance Statements (AGS). The inputs into the AGS are in line with the expectations of the framework overall. However, our review of the 2021/22 draft AGS has found a non-compliance issue in relation the adoption of the CIPFA Financial Management Code as the Council did not adopt the Code as required and this should therefore be included in the AGS for clarity. The issue has now been included in the final version of the AGS.

How the body approaches and carries out its annual budget setting process

The budget is prepared by the Chief Financial Officer on the basis of submissions from the Huntingdonshire Leadership Team and Budget Managers. Consideration is given to the existing Corporate Plan and MTFP to ensure updates are made as required for changes in assumptions, existing delivery plans, and the general public environment. The budget is provided to Cabinet and subject to public consultation before proposals are made to the Council for approval.

How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed

The Cabinet makes recommendations to the Council on the budget and policy framework. It is also responsible to oversee the Council's overall financial performance.

Budget managers are responsible to manage income and expenditure within their areas and to monitor performance. Detailed budget monitoring is undertaken by budget managers on a monthly basis and, as part of the budgetary control responsibilities, significant budget variations are investigated by the budget managers. The Chief Finance Officer (CFO) is responsible to prepare and submit quarterly reports to the Cabinet on the Council's projected income and expenditure compared with the budget and the action required where relevant.

Non-financial information such as corporate performance and risk monitoring report is also submitted to the Cabinet on a quarterly basis. The report set outs progress against the delivery of the corporate plan priorities and key performance indicators as well as an update on corporate risk register.

Appendix A - Summary of arrangements (continued)

Governance (Continued)

Reporting Sub-Criteria	Findings
How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee	Full Council is the key decision making body of the Council. The Cabinet is responsible for day-to-day decisions and makes recommendations to Full Council. Committee papers for all meetings are required to be made available 10 working days in advance of the meeting to allow time for appropriate review and challenge by members. The Council also consults with members of the public through a number of avenues from workshops, telephone calls, social media channels and the website, to gauge public opinion issues. Non-cabinet member and the public are also permitted to speak at meetings on any matter of the agenda.
How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests)	The Council sets out the “Code of Conduct” and the “Gifts and Hospitality for Councillors” within its Constitution. The Council maintains the Register of Disclosures and Interests and Register of Gifts and Hospitality which are held by Democratic Services. The Monitoring Officer is legally responsible for monitoring the compliance of the Council’s policies and acts as the Council’s chief legal and governance advisor to ensure it operates lawfully and within the agreed Constitution. The Monitoring Officer deals with any complaints that are raised, and is also able to engage an independent person, if needed, to conduct investigations into alleged breaches of the Member Code of Conduct. In addition, the Council also has a formal anti-fraud and corruption strategy and a whistleblowing policy in place to ensure that staff operate in accordance with relevant legislative and regulatory requires, including the acceptance of gifts and hospitality. Both policies are kept under review and updated regularly.

Appendix A - Summary of arrangements (continued)

Improving economy, efficiency and effectiveness

Reporting Sub-Criteria	Findings
How financial and performance information has been used to assess performance to identify areas for improvement	On a quarterly basis the Cabinet is provided with performance reports. These reports are reviewed and discussed at the meetings with appropriate challenge raised by members. Variances between actual and budgeted expenditure are identified and mitigating savings plan developed as required.
How the body evaluates the services it provides to assess performance and identify areas for improvement	The Council identifies priorities in its Corporate Plan to assess the performance in achievement of the stated strategic initiatives. These measures are reported on a quarterly basis to the Cabinet. In preparation of the Annual Budget the Council considers adjustments to the services provided to achieved a balanced budget through adjustments of service or identification of new income generation streams.
How the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve	The Council has joint arrangements with other local authorities to exercise the Council's Executive and/or Non-Executive functions. Where the arrangements are to exercise the Council's statutory functions, the terms of reference and functions of these joint committees are set out within the Constitution. The Council also maintains Partnership Agreements, Service Level Agreements, or Memorandums of Understanding for each significant partnership that is monitored through day to day operational functions and reviewed and reported on at Board Meetings or Performance Liaison Meetings.
How the body ensures that commissioning and procuring services is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits	<p>The Council's procurement procedures are set out in the constitution and those responsible for purchasing must comply with these procedures. In addition, the procurement processes, policies and arrangements are also available on the Council's intranet while the procurement activities are published on the Council's website for transparency.</p> <p>The Council has a Procurement Lead Officer who oversees the Council's procurement activities to ensure the compliance with Council policies and applicable legislation. The Officer is also responsible to maintain the contract register for the Council.</p> <p>Outcome of the procurement process are built into the Council's ongoing budget monitoring arrangements and any savings that are not being achieved will be highlighted as budget overspend.</p>

Appendix B - Fees

Relationships, services and related threats and safeguards

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the Council, and its members and senior management and its affiliates, including all services provided by us and our network to the Council, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2022 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by Ernst & Young

The next page includes a summary of the fees that you have paid to us in the year ended 31 March 2022 in line with the disclosures set out in FRC Ethical Standard and in statute. Full details of the services that we have provided are shown below. We highlight in the table below the most significant services that may be reasonably considered to bear upon our integrity, objectivity and independence.

Description of service	Related independence threat	Safeguards adopted and reasons considered to be effective
Housing Benefit Claim Certification - Agreed upon Procedures on behalf of the Department for Work & Pensions (DWP)	<p>The Housing Benefit Claim contains the amounts the Council paid out to claimants and the amount it received from the DWP in terms of subsidy. These amounts are shown within the Council's financial statements.</p> <p>There is no perceived threat as we audited the Council's financial statements in advance of the claim certification procedures and gained sufficient audit evidence for audit opinion purposes.</p>	None required

As at the date of this report, there are no future services which have been contracted and no written proposal to provide non-audit services has been submitted.

We confirm we have not undertaken any non-audit work except for the stated Agreed Upon Procedures in relation to the Housing Benefit grant certification.

Appendix B - Fees

Relationships, services and related threats and safeguards

Audit Fees

Our fee for 2021/22 is in line with the audit fee reported in our Final Audit Results Report dated 13 September 2023.

Description	Final Fee 2021/22	Scale Fee 2021/22	Final Fee 2020/21
	£'s	£'s	£'s
Initial Scale Fee - Code work	40,992	40,992	40,992
Fee Variation - Determined	-	-	51,019 (Note 1)
Fee Variation - Proposed	86,736 (Note 2)		
Other additional procedures required to address audit risks to enable the conclusion of the audit (Note 3)	TBC		
Revised Scale Fee	TBC	40,992	92,011
Agreed Upon Procedures - Housing Benefit Subsidy (Certification Assurance Work) (Note 4)	TBC	-	TBC

Note 1 - PSAA Ltd determined the 2020/21 Fee Variation in February 2023.

Note 2 - We proposed an increase to the base scale fee of £86,736 for 2020/21 to reflect the cost of increased regulatory requirements as well as to reflect the additional work required to address specific risks. PSAA have determined a final additional fee for 2020/21 of £51,019 in relation to these areas. For 2021/22, the scale fee has again been re-assessed to take into account the same recurring risk factors as in 2019/20 and 2020/21 and is subject to determination by PSAA Ltd - subject to any further notified annual price uplifts.

Note 3 - As set out in the Audit Results Report, we have had to perform additional audit procedures to respond to the associated audit risks identified. We cannot quantify the fee impact at this time but will notify Management and any additional fee will be subject to determination by PSAA Ltd. We will provide an update on the final determined fee implications separately to the Governance & Audit Committee.

Note 4 - Certification work is yet to conclude and the audit fee is dependent on the extent of testing required as a result of audit findings through standard procedures.

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