

To: Council of Governors

From: Cathy Lilley, Director of Corporate Governance

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Date: 10 September 2020

Subject: Appointment of Auditors

1. Purpose of the Report

- 1.1 To request ratification of the Council's decision taken on 31 July 2020 to appoint BDO LLP as the Trust's auditors for a period of 1 year with effect from 1 August 2020, with the option of two extensions for up to one year each.

2. Background

- 2.1 Under the National Health Service Act 2006 it is the responsibility of the Council of Governors to appoint the Trust's external auditors.
- 2.2 Our previous external auditors Grant Thornton LLP had given four weeks' notice to end their term as external audit provider for ELFT earlier than the original term of appointment. This was entirely due to their decision not to supply the audit services at the previously agreed cost.

3. Appointment of the Auditors

- 3.1 As new external auditors needed to be in place by 1 August 2020, an electronic vote was held, following a formal procurement process as agreed by the Board's Finance, Business and Investment Committee, and Audit Committee. Staff governor Sheila O'Connell was involved in this process as a representative of the Council.
- 3.2 As a result Anit Chandarana, Non-Executive Director and Chair of the Trust's Audit Committee, proposed to Council to appoint BDO LLP as the Trust's external auditors, but for a period of one year (with two possible one year extensions).
- 3.3 In an electronic ballot of all Governors, 23 valid votes were received by the deadline of 9am, 31 July 2020; all votes cast were in favour of the appointment of BDO LLP as the Trust's external auditors.
- 3.5 This met the required quorum of one third of all Governors participating, including one third of all public governors.

4. Action

The Council of Governors is asked to **RECEIVE** and the report and **RATIFY** their decision "to appoint BDO LLP as the Trust's external auditors for one year (with the option of two one-year extensions) with effect from 1 August 2020."