

Report to Audit Committee

Director of Finance - Charged with Governance- Management Processes and Arrangements

Portfolio Holder: Councillor Abdul Jabbar MBE, Deputy Leader /
Cabinet Member for Value for Money and Sustainability

Officer Contact: Sarah Johnston, Director of Finance

Report Author: John Miller, Head of Audit and Counter Fraud

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Reason for Decision

The Audit Committee's Terms of Reference state that:

4.4.2 The Audit Committee shall:

- a) be responsible for oversight of the Council's relationship with the External Auditor, including consideration of:
 - (iv) issues arising from the audit of the Annual Statement of Accounts.

To enable the Council's External Auditor, Mazars LLP, to carry out duties required under the Local Audit and Accountability Act 2014, the Director of Finance is required to provide the auditors with the necessary assurances required under International Standards on Auditing (ISA), particularly, ISA 260, Communication with Those Charged with Governance.

Executive Summary

In carrying out the annual audit of the Council, Mazars LLP must comply with the International Standards on Auditing (ISAs) as adopted by the UK Financial Reporting Council (FRC).

ISAs require the auditor to make enquiries of those charged with governance (TCWG) to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity. These enquiries are made in part to corroborate the responses to the enquiries of management.

Mazars LLP has sent the Director of Finance a questionnaire setting out their enquiries of TCWG. The questionnaire is set out at Appendix 1, and the Director of Finance's proposed responses are set in Appendix 2.

Recommendation

That Members of the Audit Committee are asked to consider the attached response, suggest any amendments they believe are appropriate and to note the response of the Director of Finance to Mazars.