

Audit, Risk and Governance Committee
Meeting to be held on Monday, 30 July 2018

Electoral Division affected:
(All Divisions);

Approval of the County Council and County Pension Fund Letters of Representation 2017/18
(Appendices 'A' and 'B' refer)

Contact for further information:
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Executive Summary

The council's external auditors, Grant Thornton, are required to obtain written representations from those charged with governance and management of the council on matters material to the financial statements where other appropriate audit evidence cannot reasonably be expected to exist.

The council's management representation letter is attached at Appendix 'A' and the county's pension fund management representation letter is attached at Appendix 'B'.

Recommendation

The committee is requested to:

- (i) Consider the management representation letters at Appendix 'A' and Appendix 'B' and note the outstanding information to be added at the conclusion of the external audit;
- (ii) Agree that they be signed by the Chief Financial Officer and the Chair of the Audit, Risk and Governance Committee prior to being made available to the external auditor.

Background and Advice

Under the International Standards on Auditing (UK and Ireland), the council's external auditors, Grant Thornton, are required to obtain written representations from those charged with governance and management of the council on matters material to the financial statements where other appropriate audit evidence cannot reasonably be expected to exist.

The council's management representation letter is attached at Appendix 'A' and the county's pension fund management representation letter is attached at Appendix 'B'.

Following agreement by the committee, the management representation letters must be signed on behalf of the council by the Chief Financial Officer and by the Chair of the Audit, Risk and Governance Committee and made available to the external auditors, to form part of the audit evidence, before the audit report is issued.

Audit findings

At the time of writing this report the external auditors have not concluded their audit, and therefore the Audit Findings Reports have not yet been received. In the event that the Audit Findings Reports are received the council will consider the misstatements, and misclassification and disclosure change schedules included in the Audit Findings Reports.

A schedule will be provided at the committee of those changes that have been made to the accounts following the publication of the committee agenda. A schedule will also be provided of those items brought to our attention that have not been adjusted for, and the reason why the adjustment has not been made. The letters of representation will be updated with these schedules for approval at the committee.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

The management representation letters for 2017/18 are required by the council's external auditors, Grant Thornton, as part of the audit of the council's statement of accounts.

Failure to provide adequate assurance from management may result in an adverse audit opinion.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A