

CITY OF
WOLVERHAMPTON
COUNCIL

Audit and Risk Committee

20 January 2020

Report title	External Audit Communication	
Cabinet member with lead responsibility	Councillor Louise Miles Cabinet Member for Resources	
Accountable director	Claire Nye, Director of Finance	
Originating service	Strategic Finance	
Accountable employee	Emma Bland	Finance Business Partner
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Report to be/has been considered by	None	

Recommendation for noting:

The Committee is asked to:

1. Consider the report of the external auditors, Grant Thornton.

1.0 Purpose

- 1.1 To contribute towards the effective two-way communication between auditors and the Council's Audit and Risk Committee, as 'those charged with governance'.

2.0 Background

- 2.1 Under International Standards on Auditing (UK and Ireland) (ISA(UK&I)) auditors have specific responsibilities to communicate with the Audit and Risk Committee. ISA(UK&I) emphasise the importance of two-way communication between the auditor and the Audit and Risk Committee and specify matters that should be communicated.
- 2.2 This two-way communication assists both the auditor and the Audit and Risk Committee in understanding matters relating to the audit and developing a constructive working relationship. It also enables the auditor to obtain information relevant to the audit from the Audit and Risk Committee and supports the Audit and Risk Committee in fulfilling its responsibilities in relation to the financial reporting process.
- 2.3 As part of risk assessment procedures Grant Thornton are required to obtain an understanding of management processes and the Audit and Risk Committee's oversight of the following areas:
- Fraud
 - Laws and Regulations
 - Going Concern
 - Related parties
 - Accounting estimates
- 2.4 This report includes a series of questions on each of these areas and the responses that Grant Thornton have received from the Council's management. The Audit and Risk Committee are asked to consider whether these responses are consistent with its understanding and whether there are any further comments it wishes to make.

3.0 Financial implications

- 3.1 There are no specific financial implications arising from this report.

[EB/09012020/P]

4.0 Legal implications

- 4.1 This report and its attachment sets out the legal implications which are in accordance with the Council's Constitution and relevant legislation.

[TS/09012020/S]

5.0 Equalities implications

- 5.1 There are no equality implications arising from this report

6.0 Climate Change and Environmental implications

6.1 There are no climate change and environmental implications arising from this report.

7.0 Human resources implications

7.1 There are no human resource implications arising from this report.

8.0 Corporate landlord implications

8.1 There are no implications for the Council's property portfolio arising from this report.

9.0 Health and Wellbeing Implications

9.1 There are no health and wellbeing implications arising from this report.