

## Grant Thornton Audit Risk Assessment Enquiries 2021/22

Date: 3<sup>rd</sup> October 2022

Report of: the Chief Finance Officer

Report to: Corporate Governance and Audit Committee

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

This report presents a series of enquiries from Grant Thornton which will inform their audit risk assessment for the 2021/22 audit. The enquiries cover accounting issues, arrangements to address the risk of fraud, and legal issues.

Grant Thornton have requested that the responses to their enquiries are drafted by officers and formally considered by Members at a meeting of the Committee. The questions and proposed responses are attached as Appendix 1 to this report.

### Recommendations

- a) Members are asked to consider the responses proposed by officers to Grant Thornton's enquiries, and to confirm whether these are consistent with Members' understanding of the Council's arrangements in these areas.

### **What is this report about?**

- 1 Grant Thornton have requested that the Council's responses to these enquiries are formally considered at a meeting of the Committee. Once the audit is complete the Committee will be asked to approve the final audited statement of accounts on behalf of the Council, and the responses to these enquiries form a stage in the assurances received by the Committee towards that approval.

### **What impact will this proposal have?**

- 2 The report outlines officers proposed responses to Grant Thornton's audit risk enquiries.

### **How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing       Inclusive Growth       Zero Carbon

- 3 The report relates to the council's underlying financial governance arrangements rather than to any specific aspect of service delivery.

### **What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?       Yes       No

- 4 The report does not raise any issues requiring consultation or engagement with ward members.

### **What are the resource implications?**

- 5 There are no direct resource implications arising from these enquiries.

### **What are the key risks and how are they being managed?**

- 6 Grant Thornton's enquiries cover the Council's arrangements to mitigate against the risks of fraud and of accounting misstatements. The responses explain how these areas of risk are managed.

### **What are the legal implications?**

- 7 Grant Thornton's enquiries include sections relating to assurances over the Council's compliance with laws and regulations.

### **Options, timescales and measuring success**

#### **What other options were considered?**

- 8 The report summarises the Council's proposed responses to enquiries made by Grant Thornton as part of their 2021/22 audit.

#### **How will success be measured?**

- 9 Grant Thornton will report the conclusions from their audit to a future meeting of the Committee.

## **What is the timetable and who will be responsible for implementation?**

10 Grant Thornton aim to present an ISA 260 report on the financial statements to the February 2023 meeting of the Committee.

## **Appendices**

- Appendix 1 is Grant Thornton's document 'Informing the Audit Risk Assessment for Leeds City Council 2021/22', completed to show the Council's proposed responses to the questions posed.

## **Background papers**

- None