



CORPORATE GOVERNANCE COMMITTEE – 10 MAY 2019

EXTERNAL AUDIT RISK ASSESSMENT 2018/19

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of Report

1. To present the County Councils response to the External Auditors Risk Assessment 2018/19 for consideration and comment.

External Audit Risk Assessment

2. The Council's External Auditors, Grant Thornton UK LLP, have prepared a report 'Informing the audit risk assessment for Leicestershire County Council 2018/19' a copy of which is attached as an Appendix to this report.
3. The assessment is undertaken by Grant Thornton as part of its risk assessment procedures. It is used to gain an understanding of the Council's processes and managing officer's views on various auditing standards. The report sets out questions raised by Grant Thornton on areas such as fraud, laws and regulations, going concerns, accounting estimates and related parties, all of which have an impact on the Council's operations.
4. Management (Finance, Internal Audit and Legal Services) have completed a self-assessment of the questions and provided responses to the External Auditor. These are included within the Auditors report and reflect updates provided to this Committee.
5. As part of its assessment of the above risk areas, the external auditor is required to make inquiries of the Corporate Governance Committee under auditing standards. Presentation of the report to this Committee also contributes towards the effective two-way communication between auditors and the Council's Corporate Governance Committee, as 'those charged with governance'.
6. Representatives from Grant Thornton will attend the meeting to present the report and answer any questions.

Recommendation

7. The Committee is asked to note the attached report and to provide any comments on the management responses.

Equal Opportunities

8. None.

Circulation Under the Local Issues Alert Procedure

9. None.

Background Papers

10. None.

Officers to Contact

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Appendices

Appendix – Report by Grant Thornton - Informing the audit risk assessment for Leicestershire County Council 2018/19'