

Fraud & Error Discussions with Those Charged with Governance		Agenda No: 14
Portfolio Area:	Providing value for money	
Report presented by:	Lesley Day, Audit Insurance & Risk Manager	
Report prepared by:	Lesley Day, Audit Insurance & Risk Manager	
Background Papers:	Public Report	
	No	
Options:	Key Decision:	
N/a	No	
Executive Summary:		
<p>BDO, as external auditors, are required by International Standards of Auditing (ISA) 240 to consider the risk of material fraud occurring, in the audit of financial statements. Those charged with governance (determined to be the Governance Committee at Braintree District Council) have oversight responsibility for systems for monitoring risk, financial control and compliance with the law and, therefore, BDO are required to discuss how this responsibility is exercised with the Committee.</p> <p>The ISA requires BDO to consider the answers to two specific questions, which are set out below together with the Committee’s responses last year.</p> <ol style="list-style-type: none">How do those charged with governance exercise oversight of management’s processes for identifying and responding to the risks of fraud in the entity and the internal control management that has been established to mitigate these risks?<ul style="list-style-type: none">Annual Audit Plan and Risk AnalysisAssignment Reports & Reportable Recommendations monitorFraud, Corruption & Dishonesty PolicyWhistleblowing PolicyAnnual Internal Audit ReportContract procedure RulesFinancial procedure RulesAnnual Governance StatementReview of the Strategic and Operational Risk RegisterAnti-Fraud StrategyDetails of any actual, suspected or alleged fraud affecting the entity of which those charged with governance are aware? <p>None</p>		

Decision:
<p>a) To inform the External Auditors that the responses detailed above are identical for this year or,</p> <p>b) To amend the responses if the Committee considers necessary.</p>
Purpose of Decision:
To advise the External Auditors of the Committee's response to the questions raised in relation to the International Standards of Auditing 240

Any Corporate implications in relation to the following should be explained in detail	
Financial:	N/a
Legal:	N/a
Equalities/Diversity	N/a
Customer Impact:	N/a
Environment and Climate Change:	N/a
Consultation/Community Engagement:	N/a
Risks:	N/a
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