



## Audit, Risk & Assurance Committee

<b>Date</b>	16 <sup>th</sup> March 2018
<b>Report title</b>	Informing the Audit Risk Assessment
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<b>Report to be/has been considered by</b>	None

**Recommendation(s) for action or decision:**

**The Audit, Risk and Assurance Committee is recommended to:**

1. Review and note the contents of the report, and consider whether the responses are consistent with its understanding and whether there are any further comments it wishes to make.

## **1.0 Purpose**

1.1 The purpose of this report is to contribute towards the effective two-way communication between auditors and the Authority's Audit, Risk & Assurance Committee, as 'those charged with governance'. The report covers some important areas of the auditor risk assessment where we are required to make inquiries of the Audit, Risk & Assurance Committee under auditing standards.

1.2 As part of our risk assessment procedures we are required to obtain an understanding of management processes and the Audit, Risk & Assurance Committee's oversight of the following areas:

- Fraud
- Laws and regulations
- Going concern
- Related party transactions
- Accounting estimates

1.3 This report includes a series of questions on each of these areas and the response we have received from the Combined Authority's management.

## **2.0 Background**

2.1 The statutory responsibilities of the external audit function are:

- To be satisfied that the accounts comply with the requirements of the enactments that apply to them
- To be satisfied that proper practices have been observed in the preparation of the statement of accounts and that the statement presents a true and fair view
- To be satisfied that the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

## **3.0 Wider WMCA Implications**

3.1 None

## **4.0 Progress, options, discussion, etc.**

4.1 N/A

## **5.0 Financial implications**

5.1 The financial implications are included within the body of the report.

## **6.0 Legal implications**

6.1 There are no direct legal implications.

## **7.0 Equalities implications**

7.1 There are no implications.

**7.0 Other implications**

7.1 None.

**8.0 Schedule of background papers**

8.1 N/A

**9.0 Appendices**

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