

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

01 April 2019

Report of the Chair of the Audit Committee

Part 1- Public

Delegated

1 MEMBERS ASSURANCE ON COMPLIANCE WITH INTERNATIONAL STANDARDS ON AUDITING

Under International Standards on Auditing our external auditor has asked those charged with governance, which for this purpose is the Audit Committee, as to knowledge of any actual, suspected or alleged fraud affecting the entity.

1.1 Introduction

1.1.1 The external auditor has asked those charged with governance which for this purpose is the Audit Committee:

- Do you have knowledge of any actual, suspected or alleged fraud affecting the entity?

1.2 Assurance Evidence

1.2.1 The question and the accompanying response to the question is attached at **[Annex 1]**. The response to the question has been prepared and agreed with the Chair of the Audit Committee. Members of the Audit Committee are asked to consider and endorse the response given.

1.2.2 Management Team are also required to provide assurance under International Standards on Auditing in a separate questionnaire which can be found elsewhere on this agenda. This will provide the Audit Committee with additional evidence for their consideration.

1.2.3 There have not been any reported incidents of significant fraud or error to the Chief Audit Executive during 2018/19.

1.3 Legal Implications

1.3.1 Failure to comply with these Standards could leave the Council open to a higher incidence of fraud and error resulting in additional legal costs to resolve.

1.4 Financial and Value for Money Considerations

- 1.4.1 Non-compliance with these Standards could result in additional work being required by the external auditor to satisfy them that fraud and error were being prevented.
- 1.4.2 Any incidents of fraud require in depth investigation and use considerable resources to resolve. Any cost effective action to prevent instances of fraud will result in better use of resources.

1.5 Risk Assessment

- 1.5.1 It is considered that the risk management system in place supported by the policies and internal controls are sufficiently robust to minimise incidents of fraud and error to ensure compliance with the Standards.

1.6 Equality Impact Assessment

- 1.6.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Recommendations

- 1.7.1 Members are asked to **endorse** the response to the question set out at **[Annex1]**.

Background papers: contact: Samantha Buckland

Council policies and records

Councillor Vivian Branson
Chair of the Audit Committee