

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUDIT COMMITTEE		
DATE:	7TH JUNE 2022	REPORT NO:	CFO/016/22
PRESENTING OFFICER	IAN CUMMINS		
RESPONSIBLE OFFICER:	IAN CUMMINS	REPORT AUTHOR:	IAN CUMMINS
OFFICERS CONSULTED:	STRATEGIC LEADERSHIP TEAM		
TITLE OF REPORT:	GRANT THORNTON REQUEST - INFORMING THE AUDIT RISK ASSESSMENT 2021/22		
APPENDICES:	APPENDIX A:	INFORMING THE AUDIT RISK ASSESSMENT FOR MFRS 2021/22	

Purpose of Report

1. The Authority's external auditor, Grant Thornton (GT), as part of their work on the 2021/22 financial statements, have requested that the Service complete a risk assessment questionnaire. The purpose of this report is to share with the Members of the Audit Committee the responses to the GT questionnaire prepared by the Director of Finance and Procurement, and, subject to any amendments ask Members to approve the responses outlined in Appendix A.

Recommendation

2. It is recommended that Members;
 - a) review the Director of Finance and Procurement responses to the Grant Thornton risk assessment questions outlined in Appendix A; and
 - b) subject to any Member amendments, approve the responses outlined in Appendix A.

Introduction and Background

3. As part of the 2021/22 audit work undertaken by GT on the Authority's financial statements, GT will carry out a risk assessment of management processes and how the Authority manages the following areas:
 - **General Enquiries of Management** – (any significant challenges that may impact on the financial statements),
 - **Fraud,**
 - **Related Parties,**
 - **Going Concern, and**
 - **Accounting Estimates.**

4. GT undertake their risk assessment via a series of questions on each area. The Service's response to these questions will be used by GT to obtain an understanding of management processes and the Authority's oversight into GT's areas of perceived risk.
5. The Director of Finance and Procurement has prepared responses on to the GT questions using the GT template. Appendix A outlines the proposed responses. No areas of concern have been identified by the Director of Finance and Procurement.
6. GT have asked that the Audit Committee consider whether these responses are consistent with its understanding and whether there are any further comments Members would wish to make. Therefore, Members are asked to consider the questions raised by GT and the Director of Finance and Procurement responses and subject to any suggested amendments approve the responses in Appendix A.

Equality and Diversity Implications

7. Good governance and sound internal control includes having effective practices to manage equality and diversity issues.

Staff Implications

8. There are no staff implications arising from this report.

Legal Implications

9. No direct legal implications are associated with the questionnaire.

Financial Implications & Value for Money

10. There are no direct financial implications arising from the report.

Risk Management, Health & Safety, and Environmental Implications

11. Good governance and sound management processes help mitigate known risks from ensuring the Authority's vision and objectives are being fulfilled.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

12. Good governance and sound internal control arrangements will ensure the Authority's vision is known by all and drives and directs the Service outcomes.

BACKGROUND PAPERS

NONE

GLOSSARY OF TERMS

GT Grant Thornton