

NORTHERN JOINT POLICE BOARD

28 August 2009

Agenda Item	
Report No	

International Standard on Auditing 260

Report by the Treasurer

Summary

To request delegated powers to the Treasurer, in consultation with the Chairman of the Audit Working Group, to deal with the requirements of International Standard on Auditing 260 in relation to (a) the 2008/09 audit, and (b) future audits, the latter in circumstances where the Board's meeting schedule again does not permit the Board to consider the Audit Working Group recommendation regarding the ISA 260 report in advance of the audit certificate being signed.

1. Introduction

As part of the external audit process both Audit Scotland and the Board require to comply with International Auditing Standards.

2. International Standard on Auditing 260 (ISA 260)

2.1 ISA 260 places a responsibility on Auditors to communicate with "those charged with the governance in an audit of financial statements". The Audit Standard states that the objectives of the communication are as follows:

- To communicate clearly with those charged with governance the responsibilities of the auditor in relation to the financial statements audit.
- To obtain from those charged with governance information relevant to the audit.
- To provide those charged with governance with timely observations arising from the audit that are significant and relevant to their responsibility to oversee the financial reporting process.
- To promote effective two way communication between the auditor and those charged with governance.

3. Delegated Powers

3.1 The Board's current meeting schedule does not permit the Board to consider a recommendation from the Audit Working Group regarding the ISA 260 report in advance of the audit certificate for 2008/09 being signed. Therefore it is proposed that authority be delegated to the Treasurer, in consultation with the Chairman of the

Audit Working Group, to deal with the requirements of ISA 260, and that a similar approach be adopted in future .

- 3.2 Other members of the Audit Working Group will have the opportunity to see the contents of the ISA 260 report when Audit Scotland present their Report to Members at the conclusion of the 2008/09 audit.

Recommendation

That powers are delegated to the Treasurer, in consultation with the Chairman of the Audit Working Group, to deal with the requirements of International Standard on Auditing 260 in relation to (a) the 2008/09 audit, and (b) future audits, the latter in circumstances where the Board's meeting schedule again does not permit the Board to consider the Audit Working Group recommendation regarding the ISA 260 report in advance of the audit certificate being signed.

Signature:

Designation: Treasurer

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Date: 14th August 2009