Reappointment of independent auditors for 2017

<table>
<thead>
<tr>
<th>Purpose of paper</th>
<th>The purpose of this paper is to seek Council’s approval to reappoint haysmacintyre as the independent auditors to audit the 2017 GDC financial statements.</th>
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</thead>
<tbody>
<tr>
<td>Action</td>
<td>For decision.</td>
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| Corporate Strategy 2016-19 | **Performance**  
  **Objective 1:** To improve our performance across all our functions so that we are highly effective as a regulator.  
  **Objective 2:** To improve our management of resources so that we become a more efficient regulator.  
  **Objective 3:** To be transparent about our performance so that the public, patients, professionals and our partners can have confidence in our approach. |
| Decision Trail   | The EMT were presented with a paper detailing the option to recommend that haysmacintyre are reappointed as the GDC’s financial auditors at its meeting on June 5th 2017.  
  The paper was then reviewed at the Audit and Risk Committee on 28 June 2017 where it was agreed to recommend to Council the reappointment of haysmacintyre as the financial auditors for the 2017 financial statements. |
| Next step        | Following Council’s approval haysmacintyre will be reappointed.                                                                     |
| Recommendations  | The Council is asked to:  
  - Approve that haysmacintyre are reappointed as the GDC’s financial auditors for the 2017 financial statements. |
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1. Executive Summary

1.1. The purpose of this paper is to seek the Council's approval to reappoint haysmacintyre as the independent auditors to audit the 2017 GDC financial statements.

1.2. Since haysmacintyre were appointed in 2012 we have not had any issues with their audit work and the 2016 audit has also run smoothly in line with the timetable.

1.3. The EMT considered the reappointment on 5 June and their paper was reviewed at the Audit and Risk Committee on 28 June 2017. The Committee agreed to recommend to Council the reappointment of hayesmacintyre as the financial auditors for the 2017 financial statements.

1.4. The Council is asked to:
   - Approve that haysmacintyre are reappointed as the GDC's financial auditors for the 2017 financial statement.

2. Introduction

2.1. The GDC appointed haysmacintyre as the independent auditors to audit the GDC financial statements in 2012. The initial contract was for three years covering the financial years 2012, 2013 and 2014. The contract was extended in 2015 and 2016 to cover the respective financial years.

2.2. The purpose of this paper is to seek approval to extend haysmacintyre contract by one more year to cover the audit of 2017 financial statements.

2.3. The EMT considered a paper detailing the option to recommend to the Audit and Risk Committee (ARC) that haysmacintyre be reappointed on June 5th 2017.

2.4. The paper was then discussed at the Audit and Risk Committee on 28 June 2017 where it was agreed to recommend to Council the reappointment of hayesmacintyre as the financial auditors for the 2017 financial statements.

3. Financial Audit

3.1. The objective of the financial audit is to obtain sufficient relevant and reliable audit evidence to express an audit opinion on the financial statements of the Council for the year end 31 December 2017. The audit will be conducted in accordance with International Standards on Auditing (UK and Ireland).

3.2. The audit work is planned to minimise the risk of mis-statements occurring in the financial statements. To do this both the accounts itself and the control environment in which the GDC operates are considered to develop an effective approach to audit.

3.3. The audit team has previously consisted of the following:
   - Partner
   - Manager
   - Senior
   - 2 Semi Seniors
   - Assistant

3.4. The senior audit team (Partner and Manager) has not changed since the start of the contract. This ensures there is continuity and helps to the audit to run smoothly.
3.5. The audit work commences in October with planning and ends when the accounts are signed in June.

3.6. The below timetable was used for the 2016 financial accounts:
   - 12 October 2016 – Planning meeting
   - 5 December 2016 – Interim audit
   - 20 February 2017 – Final audit
   - 27 March 2017 – Audit completion meeting
   - 7 June 2017 – Audit and Risk Committee meeting
   - 28 June 2017 – Council meeting – accounts to be signed

3.7. When the audit is completed the auditors report to the Audit and Risk Committee with the following reports:
   - Audit report to the Council
   - Audit Findings report which consist of discussion of control issues and recommendations, significant findings and any emerging developments.
   - A schedule of errors identified during the audit work.

3.8. A remuneration report in the financial statements is also produced. As part of the audit, haysmacintyre ensure that the figures disclosed within the remuneration report is correctly extracted from the Council’s accounting and payroll records.

3.9. Haysmacintyre liaise with the National Audit Office to ensure that the Remuneration report meets the necessary disclosure requirements.

4. Risks and considerations

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<tr>
<th>Communications</th>
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<tr>
<td>The designed version of the Annual Report &amp; Accounts will be placed on the GDC website, as a public document. This year, the communication team have been more involved in the drafting of content to make the document an improved communications tool and it is proposed that this will continue for the 2016 Annual Report &amp; Accounts.</td>
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<tr>
<th>Equality and Diversity</th>
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<tr>
<td>None arising out of this paper. haysmacintyre are registered with the Institute of Chartered Accountants in England &amp; Wales.</td>
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<tr>
<th>Legal</th>
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<td>The current procured contract is for a period of 3 years commencing 2015, subject to an annual review of satisfactory performance. There are no legal issues with continuing with the contract.</td>
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<td>None arising out of this paper.</td>
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<th>Resources</th>
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<td>The proposals are within the Council’s budget.</td>
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<th>National</th>
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<td>The Annual Report &amp; Accounts are laid or provided to each of the UK parliaments.</td>
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5. Recommendations

5.1. The Council is asked to:

- Approve that haysmacintyre are reappointed as the GDC’s financial auditors for the 2017 financial statements.