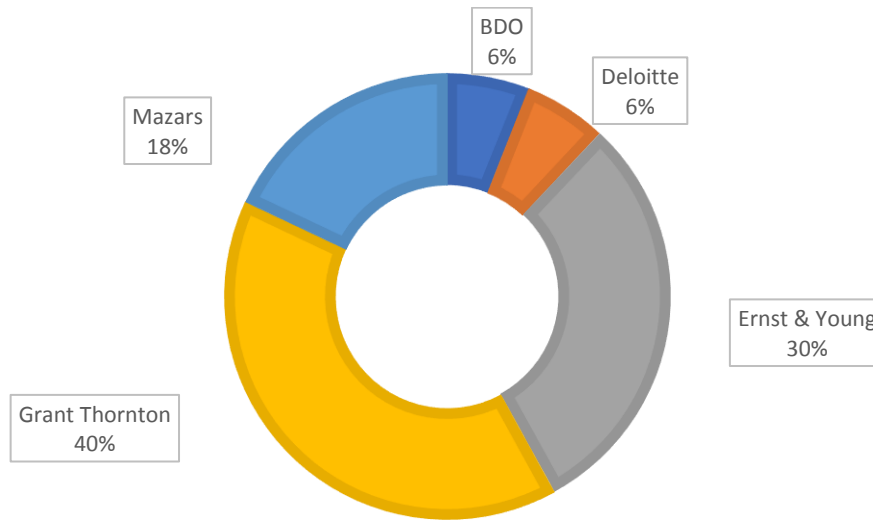


% of contracts held by audit firms under the PSAA Framework



Survey Response rates

40% response rate from Directors of Finance

17% response rate from Audit Committee chairs

Please note, that the level of response rate for the Audit Committee Chairs means that these results should not be taken to be more widely representative of the views to all Councils. Rather, they are a snapshot of the views of this particular group of respondents.

This summary has been split into the six main categories outlined below.

- Skills and tools of the audit team
- Communications
- Fee variations
- Auditor changes
- Delays in the audit process
- Meeting expectations

Overall Results from Surveys

- **92%** of finance directors agreed that the auditor clearly explained the key risks to their organisation
- **60%** of finance directors agreed that documents and information requests were made on a timely basis
- **50%** of finance directors agreed that outputs and fieldwork were provided and completed within the agreed timetable
- **55%** of finance directors agreed that communications were made on a no surprises basis

Overall Mazars scored the highest on all above questions

1. Skills and Tools of the Audit Team

- **61%** of finance directors agreed that the audit team had the skills (including the necessary knowledge and understanding) to deliver the audit
- **56%** of finance directors agree that the audit team made good use of IT to streamline the audit
- **74%** of finance directors agreed that the auditor can be approached to act as a sounding board when required (and 75% of Audit Committee chairs)

Overall Mazars scored the highest on all above questions

2. Communications

- **70%** of finance directors agreed that the auditor kept them informed of progress throughout the year enabling them to take prompt action when needed
- **71%** of finance directors agreed that the auditor clearly explained what work had been completed to address the key audit risks identified
- **80%** of finance directors agreed that the auditor when presenting the audit closure report clearly explained the work undertaken and the conclusion reached (and 81% of Audit Committee chairs)

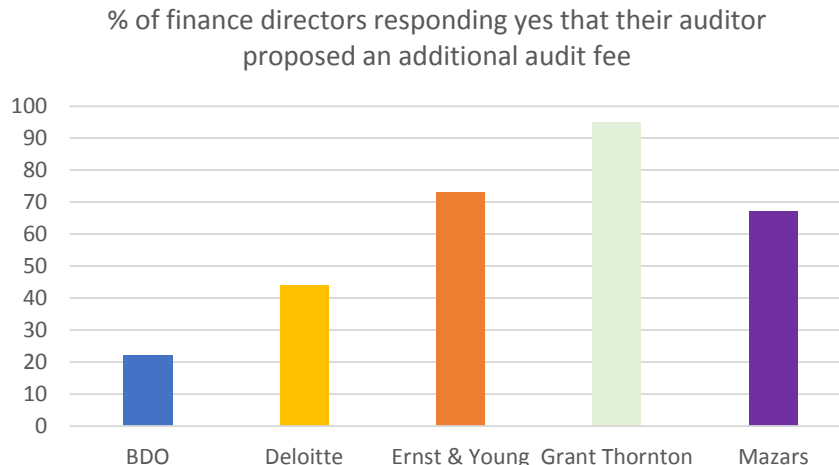
Summary of PSAA Final Survey Report – June 2020

- **64%** of finance directors agreed that the auditor’s reports and communications provided insights in the organisation’s financial reporting practices and helped with fulfilment of governance responsibilities including practical recommendations for improvement wherever possible (and 74% of Audit Committee chairs)
- **89%** of audit committee chairs agreed that the auditor clearly explained the audit plan
- **77%** of audit committee chairs agreed that the audit team informed the Audit Committee of current developments in accounting principles and auditing standards and the potential impact of these on the audit

In addition, around half of finance directors and 60% of Audit Committee chairs who experienced significant differences in views between management and audit teams agreed that these views were clearly explained and information provided on a timely basis (30% of finance directors reported they experienced no significant differences in views)

Overall Mazars scored the highest on all above questions

3. Fee Variations

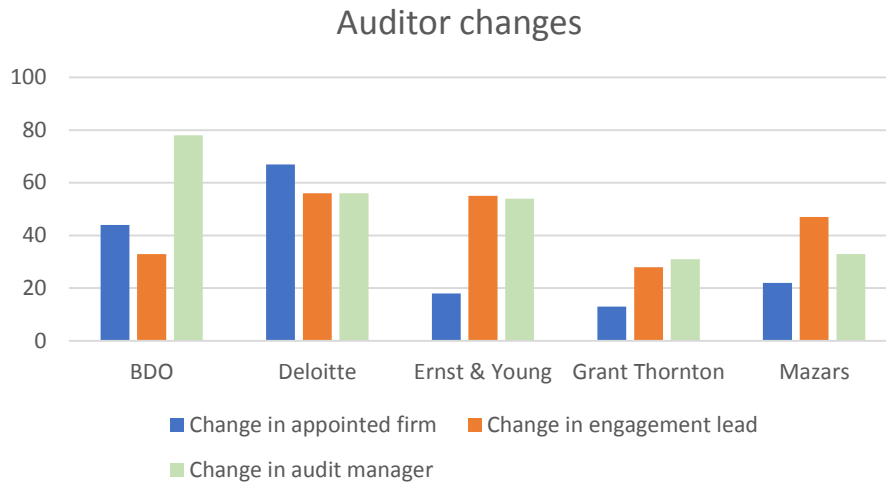


- **81%** of finance directors agreed that where an additional fee was proposed, the audit team explained the reasons for this (and 83% for Audit Committee chairs)
- **27%** of finance directors agreed that where an additional fee was proposed, the audit team explained how it may be avoided in future years, where appropriate (and 33% for Audit Committee chairs)
- **64%** of finance directors agreed that where an additional fee was proposed, this was reported to the Audit Committee in a timely manner (and 73% for Audit Committee chairs)

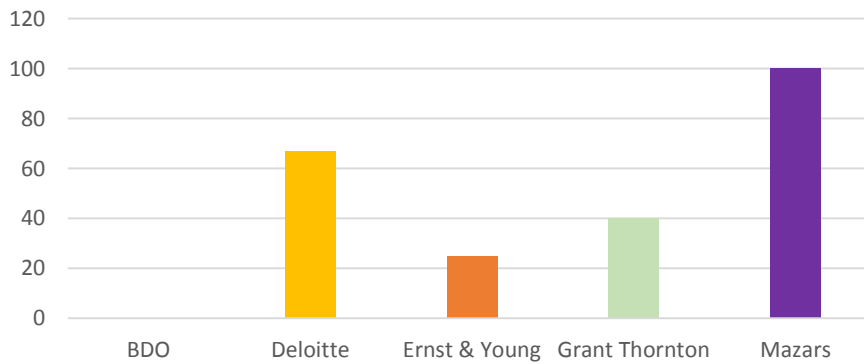
Overall, Mazars scored the highest on all above questions

4. Auditor changes

Finance directors were asked if there have been any changes in appointed firm, engagement lead and audit manager. Results are shown in the chart below



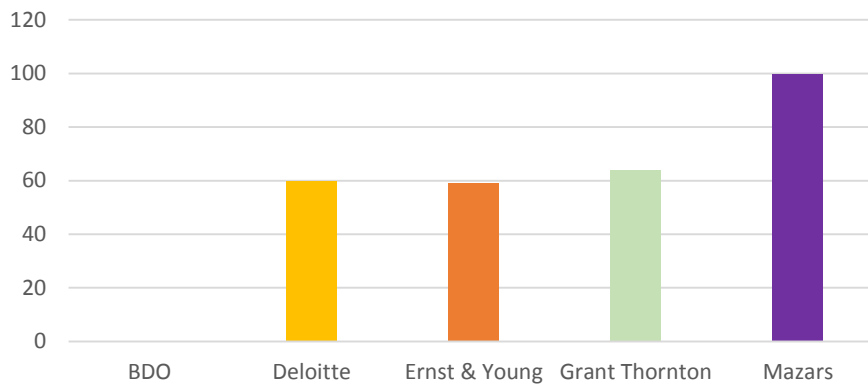
Where there has been a change in the appointment of firm, the % of finance directors who were happy with the management of the transition by the new firm



69% of Audit Committee chairs were satisfied with the management of the transition by the new firm

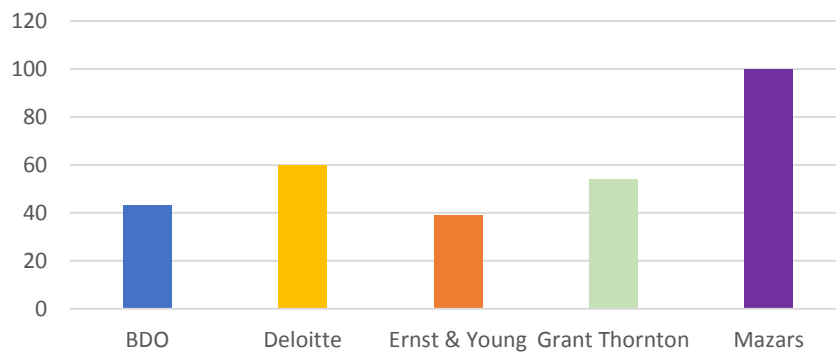
Summary of PSAA Final Survey Report – June 2020

Where there was a change in the engagement lead, the % of finance directors satisfied with how the handover was managed

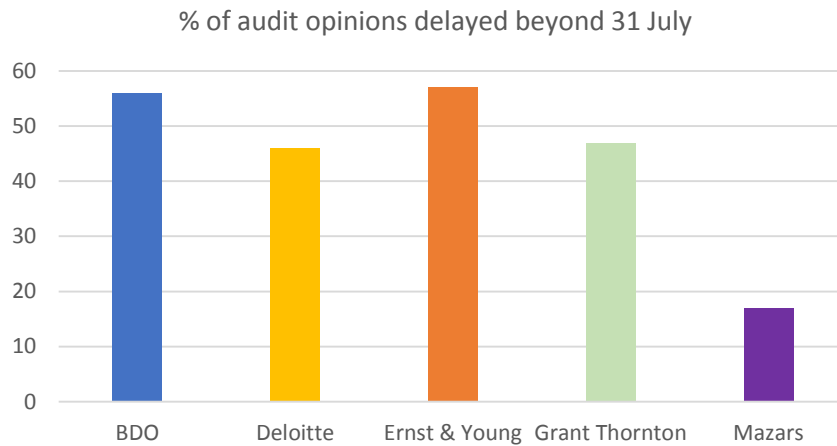


54% of Audit Committee chairs were satisfied with how the handover of the engagement lead was managed

Where there have been a change in audit manager, the % of finance directors satisfied with how the handover was managed



5. Delays in the audit process



- Where the opinion was delayed beyond 31 July, **42%** of finance directors agreed that the need to do this and the underlying reason was communicated on a timely basis (and 41% of Audit Committee chairs)
- Where the opinion was delayed beyond 31 July due to auditor resourcing issues, **54%** of finance directors **disagreed** that the auditor made arrangements to minimise disruption to the organisation (and 50% of Audit Committee chairs)

6. Meeting expectations

- Overall, 62% of finance directors and 69% of audit committee chairs agreed that the audit service met expectations for provision of the audit as set out in the audit firm's method statement

