

## Part A: Code of Audit Practice

### Section 8: Other matters

Q22. Do you agree with the expansion of the provisions relating to the appointment of auditors of financial statements and the application of ethical standards to those auditors? If not, why not?

I think my only comment relates to the appointment of external auditors (Section 8). Our independent Commissioners would feel that any appointing of auditors just for JOA was their responsibility. However, I also think that in the case of JOA this issue will be superseded.

Until recently JOA kept a separate set of accounts from those maintained by the States. Frankly speaking this was problematic – and not only because they didn't always agree (as expenditure was sometimes journaled in the wrong place by Treasury). It also caused confusion that we were (erroneously) attempting to follow the Charities SORP when in fact we are basically a public sector department. I resolved this by agreeing that we would only use (and publish) the accounts kept by the States on JD Edwards, audited by whichever firm is appointed to do so. I believe this is still the best course of action, and so to that extent the C+AG WOULD be appointing our auditors, but they would be the ones appointed for the rest of the States.