

Audit Progress Report

South Ribble Borough Council

24 January 2019



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Introduction

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This paper provides the Governance Committee with a report on progress in delivering our responsibilities as your external auditors.

Members of the Governance Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications www.grantthornton.co.uk ..

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

Progress at 8 January 2019

Financial Statements Audit

We have started planning for the 2018/19 financial statements audit and are due to commence our interim audit in February 2019. Our interim fieldwork visit is expected to include:

- Updated review of the Council's control environment
- Updated understanding of financial systems
- Review of Internal Audit reports on core financial systems
- Early work on emerging accounting issues
- Early substantive testing.

We expect to issue our audit plan summarising our approach to the key risks on the audit in February 2019. We will report any findings from the interim audit to you in our Progress Report at the April Governance Committee.

Value for Money

The scope of our work is set out in the guidance issued by the National Audit Office. The Code requires auditors to satisfy themselves that; "the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".

Audit guidance for value for money working in 2018/19 has now been issued and remains consistent with prior years. The guidance confirmed the overall criterion as: "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".

The three sub criteria for assessment to be able to give a conclusion overall are:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties.

We have started our initial risk assessment to determine our approach and will report our work in the Audit Findings Report, giving our Value For Money Conclusion by the deadline of 31 July 2019.

Other areas

Certification of claims and returns

We certified the Council's annual Housing Benefit Subsidy claim in accordance with procedures agreed with the Department for Work and Pensions. The results of the certification work are reported to you in our certification letter.

Meetings

We recently met with your s151 Officer to discuss the implications for the Council from Brexit. Our regular meetings with the Finance Team are planned for January and February 2019.

Events and Publications

Our accountants' workshops are taking place during January and February 2019. Invites have been sent through to your Finance Team.

Audit Deliverables

2017/18 Deliverables	Planned Date	Status
Annual Certification Letter This letter reports any matters arising from our certification work carried out under the PSAA contract.	December 2018	Complete
2018/19 Deliverables	Planned Date	Status
Fee Letter Confirming audit fee for 2018/19.	April 2018	Complete
Accounts Audit Plan We are required to issue a detailed accounts audit plan to the Governance Committee setting out our proposed approach in order to give an opinion on the Council's 2018-19 financial statements.	February 2019	Not yet due
Interim Audit Findings We will report to you the findings from our interim audit and our initial value for money risk assessment within our Progress Report.	April 2019	Not yet due
Audit Findings Report The Audit Findings Report will be reported to the July Governance Committee.	July 2019	Not yet due
Auditors Report This is the opinion on your financial statement, annual governance statement and value for money conclusion.	July 2019	Not yet due
Annual Audit Letter This letter communicates the key issues arising from our work.	August 2019	Not yet due
Annual Certification Letter This letter reports any matters arising from our certification work carried out under the PSAA contract.	December 2019	Not yet due



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