

Audit and Standards Committee

29 November 2018

External Auditors' Progress Report

Recommendation

That the Audit and Standards Committee consider and make any comments on the External Auditors' Progress Report.

1. Purpose of the Report

- 1.1. The purpose of this report is for our external auditors to provide a report to inform the Committee of their progress in delivering their responsibilities as our external auditors.
- 1.2. The report prepared by the auditors is attached at **Appendix A**. The auditors will also provide a verbal sector update at the meeting.

2. Background Papers

- 2.1. None

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Local Members consulted

Not applicable

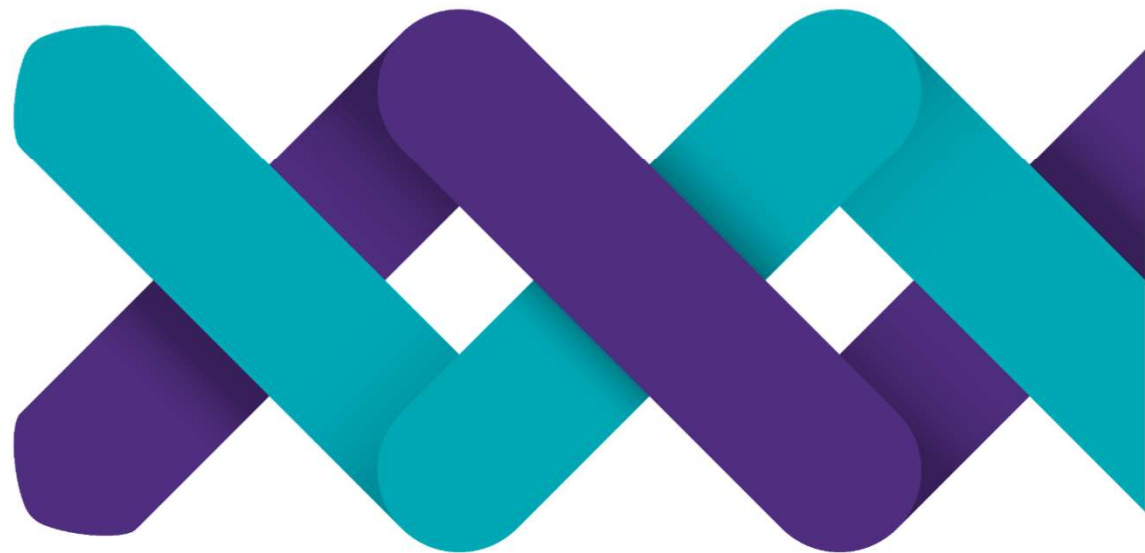
Other Members consulted

None

Audit Progress Report

Warwickshire County Council
Year ending 31 March 2019

29 November 2018



Contents

Section	Page
Introduction	3
Progress at November 2018	5
Audit Deliverables	6

Introduction



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

This includes:

- the conclusion of our 2017/18 audit
- actions taken to date or planned in relation to our 2018/19 audit; and
- other areas

Members of the Audit & Standards 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.grant-thornton.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.

Introduction (continued)



Role

Jim will co-ordinate delivery of our external audit services to you. He will work with senior members of the finance team ensuring testing is delivered and any accounting issues are addressed on a timely basis. He will supervise the on site team and perform reviews of their work - drafting clear, concise and understandable reports.

Experience

Having joined the firm as a school leaver, Jim has over 7 years' experience of providing external audit and other assurance services, qualifying with the ICAEW in 2015

In his primary role, Jim is a manager in Grant Thornton's market leading Public Services practice having worked with bodies across the Local Government landscape including single and two tier authorities, pension funds and Fire and Rescue authorities. He has also led and managed the audits of NHS, Not-for-Profit and large groups of private limited companies, bringing a well balanced blend of experience

In addition to external audit, he has acted as the lead in the certification of high value EU and UK grant funding at a red brick university and undertaken a secondment to a client internal audit team.

“I have read the One Organisational Plan 2020 and look forward to supporting Warwickshire achieve its purpose through a robust and effective audit process”

Progress at November 2018

2017/18 Audit

Authority

We have completed our audit of the Council's 2017/18 financial statements. Our audit opinion, including our value for money conclusion was issued on the 27 July 2018.

We issued:

- An unqualified opinion on the Council's financial statements; and
- An unqualified value for money conclusion on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.

We have issued all our deliverables for 2017/18 and have concluded our work on the 2017/18 financial year. Our Annual Audit Letter, summarising the outcomes of our audit is included as a separate agenda item.

Pension Fund

Similarly to the above, we issued an unqualified opinion on the financial statements of the Warwickshire Pension Fund on 27 July 2018.

Subsequently, on 15 October 2018 we issued our report on the consistency of the audited pension fund financial statements included in the Annual Report.

2018/19 Audit

Authority and Pension Fund

We have begun our planning processes for the 2018/19 financial year audit.

Our detailed work and audit visits will begin later in the year and we will discuss the timing of these visits with management. In the meantime we will:

- continue to hold regular discussions with management to inform our risk assessment for the 2018/19 financial statements audits and value for money assessment (Authority only);
- review minutes and papers from key meetings; and
- continue to review relevant sector updates to ensure that we capture any emerging issues and consider these as part of audit plans.

Other areas

Certification of claims and returns

We are required to certify the annual Teachers Pensions claim in accordance with procedures agreed with the Department for Education. This certification work for the 2017/18 claim will be concluded by November 2018.

Objections

Our final views in respect of Highways Objections have been sent to PSAA and should be released to the Council and the objector by the end of October 2018.

In line with NAO Guidance we are gathering information in respect of an objection to the use of s.106 monies and the council's arrangements for meeting the need for schools places. Should we determine we are required to consider the objection we will aim to have this work completed by the end of December 2018.

Meetings

We met with Finance Officers in October as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

We provide a range of workshops, along with network events for members and publications to support the Council. Our next event is the Chief Accountant workshop in February 2019.

Audit Deliverables

2017/18 Deliverables	Planned Date	Status
Teachers Pensions Certification This letter reports any matters arising from our certification work carried out under the PSAA contract.	November 2018	Not yet due
Accounts Objection Our conclusion on the objection raised to the 2017/18 financial statements is under consideration and subject to the level of work required, an outcome is estimated in December 2018	December 2018	Not yet due
2018/19 Deliverables for the Council and Pension Fund Audits	Planned Date	Status
Fee Letter Confirming audit fee for 2018/19.	April 2018	Complete
Accounts Audit Plans We are required to issue a detailed accounts audit plan to the Audit & Standards Committee setting out our proposed approach in order to give an opinion on the Council's 2018-19 financial statements.	January 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.	March 2019	Not yet due
Audit Findings Reports The Audit Findings Report will be reported to the July Audit & Standards Committee.	July 2019	Not yet due
Auditors Reports 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

