



# External audit progress report

London Borough of Brent  
External audit 2016-17

26 June 2017

# External Audit Progress Report

## Since the last meeting of the Audit Committee in March 2017 we have...

- Completed our interim visit including updating our knowledge of the overall control environment, determining the key controls we are planning on placing reliance on and confirming they were operating as designed;
- Discussed the approach adopted by the Council on the valuation of nomination rights associated with the PFI scheme;
- Commenced work on the Pension Fund annual accounts on 12 June 2017 and are expecting to start work on the main financial statements on 19 June 2017 – we are expecting to have substantially completed this work by the end of July;
- Continued to review the documentation supplied on the objections. In respect of the objections made relating to the payment to the former Human Resources Director and associated matters, we are expecting to be able to share our provisional view and material documents we have relied upon with the Council, and the electors who raised the objections, in July 2017. We have requested additional information from the Council on the LOBO objection which the Council is currently investigating. Some of this information relates to decisions on loans that were entered into in 2002, which given the elapsed time, may not be complete although the Council is having a detailed look through its archives to find all relevant documents that it still has that is relevant,

## Ahead of the next meeting of the Audit Committee we will...

- Complete our audit of the financial statements and prepare our ISA 260 report which we will present to the Audit Committee;
- Issue our provisional view to the Council and the electors in relation to the objections made on the payment to the former Human Resources Director and associated matters;
- Review the further documentation provided in respect of the LOBO objection; and
- Commence work on your Housing Benefit Subsidy Return.

## We ask the Audit Committee to:

- **NOTE** this progress report

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The main outputs from the audit are summarised below.

Deliverable	Purpose	Timing
<b>Planning</b>		
Fee letter	Communicate indicative fee for the audit year	April 2016
External audit plan	Outline our audit strategy and planned approach Identify areas of audit focus and planned procedures	March 2017
<b>Substantive procedures</b>		
Report to those charged with governance (ISA 260 report)	Details the resolution of key audit issues. Communication of adjusted and unadjusted audit differences. Performance improvement recommendations identified during our audit. Commentary on the Council's value for money arrangements.	September 2017
<b>Completion</b>		
Auditor's report	Providing an opinion on your accounts (including the Annual Governance Statement). Providing an opinion on your Pension Fund Annual Report Concluding on the arrangements in place for securing economy, efficiency and effectiveness in your use of resources (the VFM conclusion).	September 2017
WGA	Concluding on the Whole of Government Accounts consolidation pack in accordance with guidance issued by the National Audit Office.	September 2017 (to be confirmed)
Audit certificate	Providing a certificate to close the audit	Following resolution of the objections
Annual audit letter	Summarise the outcomes and the key issues arising from our audit work for the year.	November 2017
<b>Certification of claims and returns</b>		
Certification of claims and returns report	Summarise the outcomes of certification work on your claims and returns for Government departments.	December 2017



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