

Progress as at 8th January 2021

Section of the Financial Statements	Percentage complete	Matters Arising	Outstanding information	Impact on the audit (if applicable)	Overruns expected?
Completed Areas					
Value for Money	100%	VfM findings to be reported to January 2021 Audit Committee. Except for conclusion proposed		N/A	
PPE - Additions	100%	None	None	None	None
Expenditure – Interest on Pension Liability	100%	None	None	None	None
Disclosure - EFA	100%	None	None	None	None
Disclosure – Audit Fees	100%	None	None	None	None
Disclosure - Leases	100%	None	None	None	None

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Completed Areas – subject to Manager & EL review					
Planning work: - Inquiries of individuals - Understanding of controls - Analytical review - Identifying Audit risks - Group audit planning	100%	As the same IT deficiencies identified in the prior year were not fully addressed by the start of 2019-20, we will be reporting these again, with an update on stepstaken to address them.	None	None	None
Key Accounts Reconciliations	100%	None	None	None	None
PPE – Closing Balance – Dwellings (Significant Risk)	100%	None	None	None	Initial quantity document provided was for 18/19 closing balance and did not include 19/20 movements, initially unable to reconcile due to this
PPE – Other Movements	100%	None	None	None	None
Intangible Assets	100%	None	None	None	None
Cash & Cash Equivalents	100%	None	None	None	None
Provisions	100%	None	None	None	None
Expenditure – Schools Other Service Expenditure	100%	None	None	None	None
Expenditure - Depreciation	100%	None	None	None	None
Expenditure – Other interest payments	100%	None	None	None	None
Expenditure - REFCUS	100%	None	None	None	None
Revenues– Collection Fund Income	100%	None	None	None	None
Other Gains and losses – Actuarial Gains/ Losses	100%	None	None	None	None

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Completed Areas – subject to Manager & EL review					
Disclosure – Remuneration notes	100%	None	None	None	None
Disclosure – Dedicated Schools Grant	100%	The DSG Deficit has been accounted for as a negative earmarked reserve. The amount should form part of the un-earmarked General fund.	None	None	None
Disclosure – Financial Instruments	100%	None	None	We have reviewed the treatment of the loan to Goram Homes and are satisfied it is correct at present, but recommend this is continuously reviewed against Goram's ability to and likelihood of payment.	None
Disclosure – Collection fund and related notes	100%	None	None	None	None
Disclosure – HRA and related notes	100%	None	None	None	None
Annual Governance Statement	100%	Best practice points to be noted in AFR	None	None	None
Related Parties	100%	None	None	None	None
Disclosure – Capital Expenditure and Financing	100%	None	None	None	None
Pension Liabilities (Significant Risk)	100%	As the pension fund has reported a material uncertainty in relation to investment in property funds, this will need to be disclosed in the accounts.	None	None	None

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Started areas						
Financial Statements	10%		Queries raised from our initial analytical review added to Info 15.09.20 One remaining query on disclosure checklist and general accounts review submitted 08.09.20 Tony provided all other responses 14 Jan, GT to review	13 Jan		
Covid-19 (Significant Risk)				N/A		
Going Concern	25%			N/A		
New system implementation (Significant Risk)	50%		Sample returned on Info 06/01/2020 – need evidence of pay uplifts for those that do not equal 2%	15 Jan		
Journal Entries (Significant Risk)	60%		Sample returned on Info 17/12/20 – sample items outstanding and need evidence of approval. Additional items received 14.1.20 – to be reviewed	15 Jan		
PPE – Opening Balance	75%			N/A	We struggled to reconcile the Fixed Asset register. Due to the nature of the multiple documents used to undertake the reconciliation, it is not easy for us to re-perform and is taking a lot longer than we would ordinarily expect.	
PPE - Disposals	60%	£7.005m of historic Waste assets have been removed from the register, that we are unable to reconcile to supporting information. The NBV impact is £nil, and they have been removed as they are historic service concession assets that have been in the council's asset register for a long time at £nil NBV.	Sample selection completed – loaded to info 20.10.20. Evidence received on 19/11, 1/12 and 9/12 and reviewed by audit team. Outstanding queries sent to Jon C by email on 14/12: - Awaiting all evidence for Shaldon Road disposal - Awaiting cash receipt evidence for 2 sample items - Awaiting land registry documentation for 2 sample items - Awaiting supporting calculations for profit/loss on disposal for 2 sample items Responses for some items received 30/12/20 – to be reviewed.	One potential issue with Cattle Market bank evidence, others should be provided next week		
PPE - Depreciation	60%		Awaiting evidence for HRA depreciation – raised 30/09	To chase as o/s for significant time		

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Started areas						
PPE – Closing Balance Land & Buildings & Surplus assets (Significant Risk)	80%	As the valuer has reported a material uncertainty, this will need to be disclosed in the accounts.	<ul style="list-style-type: none"> Valuation approach queries Follow on queries raised from documents provided for the valuation testing Data points for indexation exercise (query elevated to auditors' expert, no action from Council at present) 	11 Jan Gareth to respond by cop 18 Jan		One of the FAR documents provided was not up to date, work completed had to be reperformed
Investment Property (Significant Risk)	95%	As the valuer has reported a material uncertainty, this will need to be disclosed in the accounts.	<ul style="list-style-type: none"> Valuation approach queries Assets held at £1 query 	11 Jan		Split of assets between retail, industrial and offices was incorrect on the initial document provided. This was realised when the impairment was recalculated and did not agree to the valuers statement. The sampling approach was required to be re-performed with the updated split of assets.
Long Term Investments (Significant Risk)	55%	Our valuation experts have reviewed the port value and are satisfied the valuation is broadly material. They did however, consider a slightly different Rate of return would be more appropriate. We have recalculated the value of the investment using this updated return rate, which gives a value £1m lower than that in the financial statements. BCC proposed amendment to BE valuation down from draft	Energy valuation queries response received 6/1/21. GT shared with internal colleagues 7/1/21. The turnaround for our valuation colleagues is about 3 weeks, We have received responses and will share with them asap.	N/A		Use of an Auditor's expert to support us in our work in auditing the valuation of the Port Investment and the Group company valuations. In line with 2018-19, we will re-charge that cost. (Included in proposed fee per Audit Plan)
Short Term Investments	65%		Awaiting some external confirmations from Banks/ councils. No action needed from the Council at present.	N/A		
Borrowings	90%		Awaiting one final external confirmations through our central team. No action needed from the Council at present.	N/A		
Heritage Assets	90%		Waiting on confirmation re Insurance of Corsham Court			

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Parent Company Guarantees	85%		Treatment query sent to team via email on 2.10.20. Response received 6.1.21 and responded to. Mike looking into our response to determine treatment.	N/A		
Reserves (MIRS)	25%		<ul style="list-style-type: none"> Query raised with Jon C via email 16/12/2020 in regard to MIRS consistency checker. Sample of usable reservestransfers uploaded to Inflo 09/12/2020 	JC for MiRS checker (impact on cashflow)	Reserve transfers with JP	
Long & Short Term Debtors	15%		<ul style="list-style-type: none"> Invoices raised sample – waiting for a response as to how / whether the error identified can be isolated Debtors sample on Inflo 10/12/2020 		To be prioritised due to likely requirement to re-sample some items	
Bad Debt Provision	30%		Working papers requested on Inflo 18/12/2020	15 Jan		
Creditors	15%		Creditors sample on Inflo 10/12/2020		To be prioritised due to likely requirement to re-sample some items	
Expenditure - Employee Benefit Expenditure	60%					
Expenditure – School Employee Benefit Expenditure	75%					
Expenditure – Other Service Expenditure	35%		<ul style="list-style-type: none"> Updated queries document sent on Inflo 07/12/2020 re outstanding sample items. Expenditure cut-off sample evidence requested on Inflo 	End of Jan		
Expenditure – Housing Benefit Expenditure	75%		Cut-off controls query			
Expenditure – Gains & Losses on Disposal	60%		Will be completed once o/s items related to PPE disposals on page 4 are resolved	N/A		
Revenues – Fees & Charges	40%		<ul style="list-style-type: none"> Sampled transactions uploaded to inflo – partial evidence received and in process of being reviewed. Queries submitted to inflo on 27/11 and 11/12 . Awaiting cash receipt evidence for large proportion of sample items – queried with Catrin Conley 18/12. 	End of Jan		
Revenues – Grants	40%		Sample selected and loaded to inflo 28.09.20			

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Revenues – HRA Rental Revenues	75%					
Disclosure – Capital Commitments	75%		Waiting on final signed agreements from Legal – with Karen Rollinson 16/12/2020			
Disclosure – Pooled budgets	90%	Adjustment of £717k for TUPE related transfer has been adjusted against the BCC line in error when it should have been adjusted against the CCG line – table to be revised.	Breakdown of expenditure included in CIES for Disabled Facilities Grant and Improved Better Care Fund requested via email from Tony W 18/12.	15 Jan		
Disclosure – Cashflow Statement	75%		Queries submitted to Inflo 18/12/2020			
Group audit – component auditor	90%		BCC updating consolidation workings			
PFI Liabilities	75%		Query returned 04/01/2020 – remaining couple of queries re Schools PFI Model			
Grants Received in Advanced	20%		<ul style="list-style-type: none"> Sample of 10 to be provided on Inflo (submitted 23 Nov) Enquiry around cut off controls 			

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To be started					
Consolidation of Group accounts			Signed Accounts now received from Pwc		
Narrative Report					
PPE – Revaluation Movement					
Expenditure – Precepts & Levies					
Other Gains and losses – Gains/ Losses on revaluation					