

Report of the External Auditor

External Audit Progress Report and Sector Update

Introduction and Summary

This report is split into two sections. Pages 4 to 8 provide Members with a high level update on how our audit is progressing. Members will see that work is on track, and to date, there are no issues to report. Pages 10 to 18 provide what we hope is useful information to Members, highlighting some of the relevant emerging issues and developments. These pages do not require a response from the Authority.

Pages 16 & 17 refer to the implementation of a new accounting standard – IFRS 16 Leases. In response to Covid-19 this has been deferred a year.

Members will see that, owing to the timing of this report, there is no reference to Covid-19. Events are currently moving so quickly that any commentary would likely be out of date anyway!

We will work with your officers to understand the impact of changes to the Code on the accounts production and audit work. We will also need to undertake some work to assure ourselves that appropriate systems, processes and controls remain in place while people are working remotely, and to modify our audit approach as required.

Introduction and Background

1. The purpose of this report is for the Authority's External Auditor to set out progress against the Plan. It also provides a useful update on wider issues and developments across the audit sector.

Conclusion

2. Subject to the unknown impact of Covid-19, the audit is on track and no issues have emerged from the interim work which cause the Treasurer or External Auditor particular concern.