



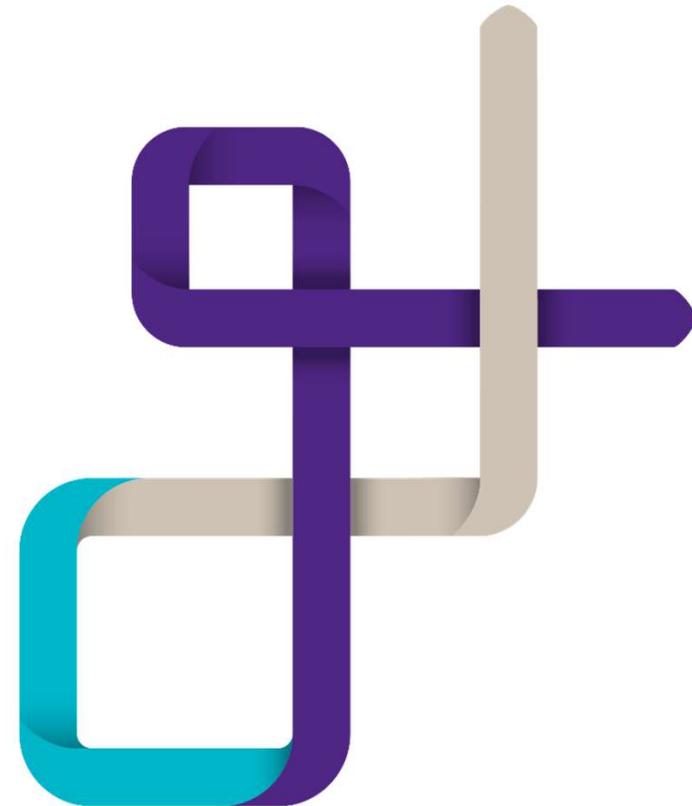
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# External Audit Plan

*Year ending 31 March 2019*

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**North York Moors National Park Authority**  
**21 January 2019**



# Contents



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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# 1. Introduction & headlines

## Purpose

This document provides an overview of the planned scope and timing of the statutory audit of North York Moors National Park Authority ('the Authority') for those charged with governance.

## Respective responsibilities

The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of North York Moors National Park Authority. We draw your attention to both of these documents on the [PSAA website](#).

## Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the:

- Authority's financial statements (including the Annual Governance Statement) that have been prepared by management with the oversight of those charged with governance (the Finance, Risk, Audit and Standards Committee)
- Value for Money arrangements in place at the Authority for securing economy, efficiency and effectiveness in your use of resources.

The audit of the financial statements does not relieve management or the Finance, Risk, Audit and Standards Committee (FRASC) of your responsibilities. It is the responsibility of the Authority to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Authority is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Authority's business and is risk based.

## Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- The revenue cycle includes fraudulent transactions
- Management over-ride of controls
- Valuation of pension fund net liability
- Valuation of land and buildings
- Occurrence of Section 106 compensation and mitigation income and expenditure.

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

## Materiality

We have determined planning materiality to be £156,000 (PY £100,000) for the Authority, which equates to 2% of gross expenditure on your cost of services in the prior year. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. Clearly trivial has been set at £8,000 (PY £5,000).

## Value for Money arrangements

Our risk assessment regarding your arrangements to secure value for money has identified a VFM significant risk around the management of your Section 106 funding. The Authority is due to receive £1.3m of Section 106 funding in 2018-19 to provide for a range of mitigation and compensation measures to help offset the impacts of the WoodSmith Mine on the environment and on tourism in the national park. This represents approximately 15% of the Authority's 2018-19 budget. Section 106 income can only be recognised when certain conditions are met. The Authority needs to ensure arrangements are in place to ensure effective management of this significant revenue stream for the benefit of the national park.

## Audit logistics

Our interim visit will take place in February and our final visit will take place in June and early July. Our key deliverables are this Audit Plan and our Audit Findings (ISA260) Report. Our audit approach is detailed at Appendix A. Our fee for the audit will be no less than £9,252 (PY: £12,016) subject to the Authority meeting our requirements set out on page 12.

## Independence

We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

## 2. Key matters impacting our audit

### External Factors

#### The wider economy and political uncertainty

Local Government funding continues to be stretched with increasing cost pressures, reduced central government grants and increased demand. The economic uncertainty is further increased by Brexit. Britain leaving the European Union with no deal may impact national and local economies.

In January 2016 the Department for Environment, Food and Rural Affairs wrote to all National Park Authorities confirming that grant allocations would be protected in real terms through to 2019-20. The grant allocations, increased the national park grant (NPG) by 1.7% year on year from 2015-16 to 2019-20. There has been no further indication at this time as to what will happen to NPG after 2019-20.

The Authority's medium term financial strategy assumes that NPG will increase by 1.7% per annum beyond 2019-20. The Authority's draft budget for 2019-20 is balanced, with deficits of £124,000 in 2020-21 and £46,000 in 2021-22. Whilst a number of solutions are being explored to close these budget deficits, they reflect the financial challenge faced by the Authority.

#### Changes to the CIPFA 2018-19 Accounting Code

The most significant changes relate to the adoption of:

- IFRS 9 Financial Instruments which impacts on the classification and measurement of financial assets and introduces a new impairment model
- IFRS 15 Revenue from Contracts with Customers which introduces a five step approach to revenue recognition.

### Internal/ Other Factors

#### Section 106 Agreement

In October 2015 planning permission was granted for development of a new polyhalite mine in the national park, set up to extract mineral from polyhalite which lies beneath the park. The planning permission is accompanied by a legal 'Section 106' agreement between the Authority and the developer (Sirius Minerals), to provide for a range of mitigation and compensation measures to help offset the impacts of the mine on the environment and on tourism.

The Authority is due to receive amounts of Section 106 funding for a significant period of time, including £1.3m in 2018-19. In order to be eligible for the money, the Authority has to comply with conditions and spend the money within a certain timeframe.

#### New audit methodology

We will be using our new audit methodology and tool, LEAP, for the 2018-19 audit.

It will enable us to be more responsive to changes that may occur in your organisation and more easily incorporate our knowledge of the Authority into our risk assessment and testing approach.

### Our response

- We will consider your arrangements for managing and reporting your financial resources as part of our work in reaching our Value for Money conclusion
- We will consider whether your financial position leads to material uncertainty about the going concern of the Authority and will review related disclosures in the financial statements
- We will continue to meet with senior management and consider the Authority's financial position.

- We will keep you informed of changes to the financial reporting requirements for 2018-19 through on-going discussions and invitations to our technical update workshops
- As part of our opinion on your financial statements, we will consider whether your financial statements reflect the financial reporting changes in the 2018-19 CIPFA Code.

- We will consider your arrangements for monitoring and reporting Section 106 funding as part of our work in reaching our Value for Money conclusion.
- We will review accounting entries in your Comprehensive Income and Expenditure Statement and Balance Sheet relating to Section 106 monies.

- You will see the terminology we use in our reports that will align more closely with the ISAs
- We will ensure that our resources and testing are best directed to address your risks in an effective way. A summary of our audit approach is included at Appendix A.

### 3. Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement. The two risks listed below are standard significant risks for all audits across all sectors and are not unique to the authority.

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<b>The revenue cycle includes fraudulent transactions</b>	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p> <p>For North York Moors National Park Authority, we have concluded that the greatest risk of material misstatement relates to the occurrence of commercial income.</p>	<p>Given the nature of the Authority’s commercial income streams, we consider it prudent to treat the improper recognition of commercial revenue as a presumed significant risk under ISA 240.</p> <p>We will:</p> <ul style="list-style-type: none"> <li>• document the system, identify controls and walkthrough the commercial income process</li> <li>• review accounting estimates, judgements and the accruals accounting process.</li> </ul> <p>Having considered the risk factors set out in ISA240 and the nature of the non-commercial income streams at the Authority, we have determined that the risk of fraud arising from this type of revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• there is little incentive to manipulate revenue recognition</li> <li>• opportunities to manipulate revenue recognition are very limited</li> <li>• the culture and ethical frameworks of local authorities, including the Authority, mean that all forms of fraud are seen as unacceptable.</li> </ul>
<b>Management over-ride of controls</b>	<p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. The Authority continues to face financial pressures and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate the design effectiveness of management controls over journals</li> <li>• analyse the journals listing and determine the criteria for selecting high risk unusual journals</li> <li>• test unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration</li> <li>• gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence</li> <li>• evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<p><b>Section 106 compensation and mitigation income and expenditure</b></p>	<p>The Authority's 2018-19 budget includes £1.3m of income and expenditure relating to Section 106 compensation and mitigation. This represents approximately 15% of the Authority's 2018-19 budget. Section 106 income and expenditure can only be recognised once certain conditions have been met.</p> <p>We have therefore identified the accounting for the occurrence of Section 106 income and expenditure as a significant risk, which was one of the most significant assessed risks of material misstatement and a key audit matter.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate the Authority's accounting policy for recognition of Section 106 income and expenditure</li> <li>• agree the accounting entries made in Comprehensive Income and Expenditure Statement and Balance Sheet relating to Section 106 income and expenditure</li> <li>• gain an understanding of the Authority's system for accounting for Section 106 income and expenditure and evaluate the design of the associated controls</li> <li>• agree, on a sample basis, amounts recognised as Section 106 income and expenditure in the financial statements.</li> </ul>
<p><b>Valuation of land and buildings</b></p>	<p>The Authority revalues its land and buildings on a rolling five-yearly basis. For 2018-19 the valuer will carry out a full valuation of all land and buildings as at 1 April 2018. The valuation will include movements in values where required to 31 March 2019. This will reset the full five year valuation cycle.</p> <p>This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved (PY: £4.3m) and the sensitivity of this estimate to changes in key assumptions</p> <p>We therefore identified valuation of land and buildings, particularly revaluations and impairments, as a significant risk, which was one of the most significant assessed risks of material misstatement</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work</li> <li>• evaluate the competence, capabilities and objectivity of the valuation expert</li> <li>• discuss with the valuer the basis on which the valuation was carried out</li> <li>• challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding</li> <li>• test revaluations made during the year to see if they had been input correctly into the Authority's asset register</li> <li>• consider management's assessment of property values in the light of Britain leaving the European Union on 29 March 2019.</li> </ul>

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<p><b>Valuation of pension fund net liability</b></p>	<p>The Authority's pension fund net liability represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved (PY: £4.32m in the balance sheet) and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the Authority's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• update our understanding of the processes and controls put in place by management to ensure that the authority's pension fund net liability is not materially misstated and evaluate the design of the associated controls</li> <li>• evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work</li> <li>• assess the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation</li> <li>• assess the accuracy and completeness of the information provided by the authority to the actuary to estimate the liabilities</li> <li>• test the consistency of the pension fund assets and liabilities and disclosures in the notes to the core financial statements with the actuarial reports from the actuary</li> <li>• undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report</li> <li>• obtain assurances from the auditor of North Yorkshire Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> </ul>

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## 4. Other matters

### Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Statement and Annual Governance Statement to check that they are consistent with the financial statements on which we give an opinion and consistent with our knowledge of the Authority.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with the guidance issued by CIPFA.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.
- We consider our other duties under legislation and the Code, as and when required, including:
  - Giving electors the opportunity to raise questions about your 2018/19 financial statements, consider and decide upon any objections received in relation to the 2018/19 financial statements;
  - Issue of a report in the public interest or written recommendations to the Authority under section 24 of the Act, copied to the Secretary of State.
  - Application to the court for a declaration that an item of account is contrary to law under Section 28 or for a judicial review under Section 31 of the Act; or
  - Issuing an advisory notice under Section 29 of the Act.
- We certify completion of our audit.

### Other material balances and transactions

Under International Standards on Auditing, "irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure". All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

### Going concern

As auditors, we are required to "obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the Authority's ability to continue as a going concern" (ISA (UK) 570). We will review management's assessment of the going concern assumption and evaluate the disclosures in the financial statements.

# 5. Materiality

## The concept of materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

## Materiality for planning purposes

We have determined financial statement materiality based on a proportion of the gross expenditure of the Authority for the financial year. In the prior year a similar benchmark was used. Materiality at the planning stage of our audit is £156k (PY £100k), which equates to 2% of the gross expenditure in 2017-18.

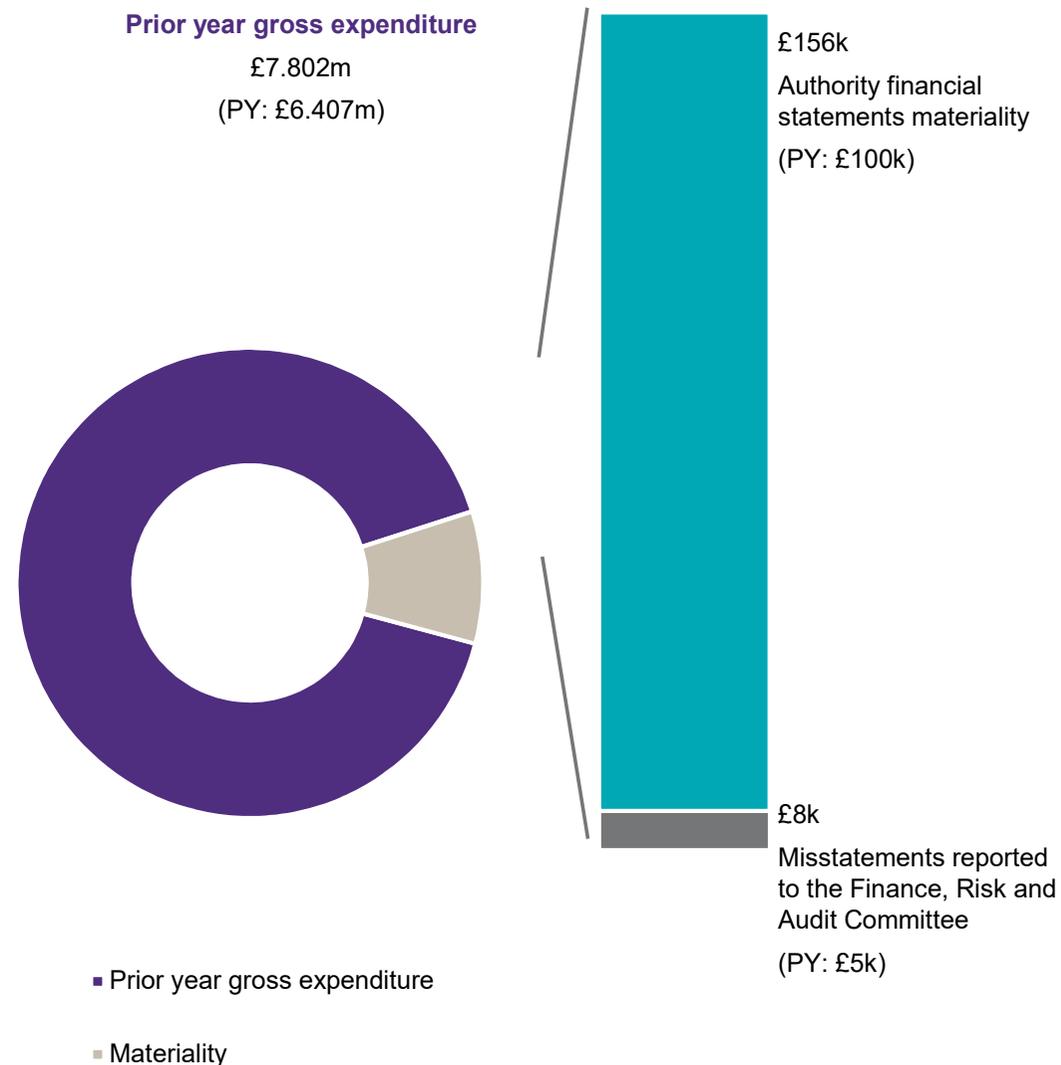
We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be £5,000 for specific sensitive areas for the users such as Senior officer remuneration. We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.

## Matters we will report to the Finance, Risk, Audit and Standards Committee

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the FRAS Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work.

Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £8,000 (PY £5,000).

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the FRAS Committee to assist it in fulfilling its governance responsibilities.



# 6. Value for Money arrangements

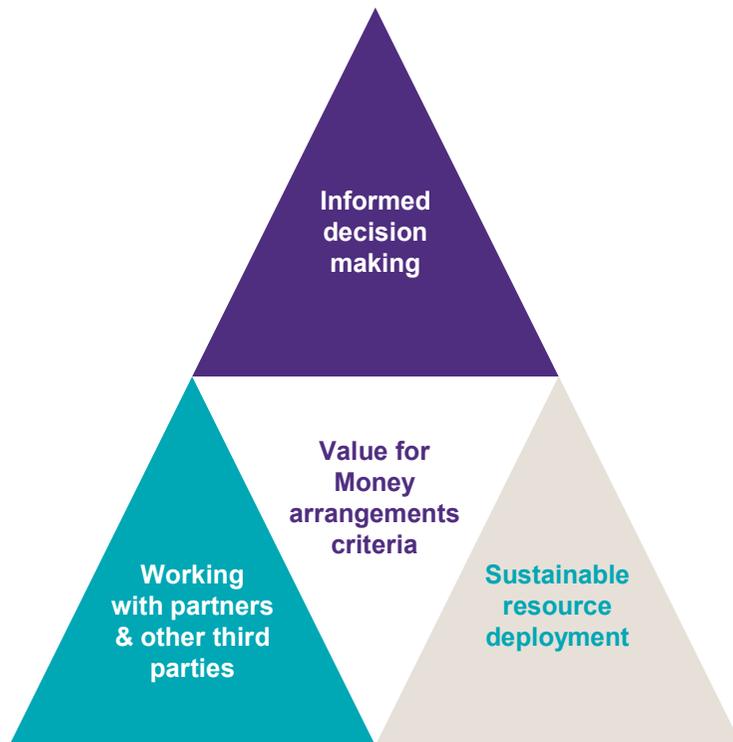
## Background to our VFM approach

The NAO issued its guidance for auditors on Value for Money work in November 2017. The guidance states that for Local Government bodies, auditors are required to give a conclusion on whether the Authority has proper arrangements in place to secure value for money.

The guidance identifies one single criterion for auditors to evaluate:

*“In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.”*

This is supported by three sub-criteria, as set out below:



## Significant VFM risks

Significant VFM risks are those risks requiring audit consideration and procedures to address the likelihood that proper arrangements are not in place to deliver value for money.

In our first year as external auditors we have held a number of meetings with senior management and have considered the work and findings of our predecessors to help inform our VFM risk assessment. In consideration of the NAO guidance, the arrangements in place for the Section 106 agreement is as an area for us to consider as part of our VFM assessment. We will be considering the arrangements in place for the Section 106 agreement as part of our audit work and will report our finding in our Audit Findings (ISA260) Report in July.



## Arrangements for managing Section 106 funding

The Authority is due to receive £1.3m of Section 106 funding in 2018-19 to provide for a range of mitigation and compensation measures to help offset the impacts of the WoodSmith Mine on the environment and on tourism in the national park. This represents approximately 15% of the Authority's 2018-19 budget. Section 106 income can only be recognised when certain conditions are met. The Authority needs to ensure arrangements are in place to oversee effective management of this significant revenue stream for the benefit of the national park.

As part of our Value for Money work we will focus on the arrangements put in place by the Authority to ensure Section 106 funding is spent in line with the mitigation and compensation measures specified in the agreement.

These include the annual contribution of funding for landscape and ecological works; funding for a major woodland planting programme to address carbon offsetting; funding towards tourism promotion and; provision of financial security arrangements in relation to the development site.

We will also consider the arrangements put in place by the Authority with partner organisations, involved in delivering the mitigation and compensation measures, to ensure that Section 106 funding is managed and spent effectively and in line with agreement.

We will continue to meet with the Director for Polyhalite projects and other members of senior management to obtain the latest information on the Authority's Section 106 funding and the associated controls and governance frameworks. We will also consider any financial reporting implications arising from the recognition of Section 106 funding in the Authority's financial statements.

# 7. Audit logistics, team & fees



## Gareth Mills, Engagement Lead

Gareth leads our relationship with you and takes overall responsibility for the delivery of a high quality audit, ensuring the highest professional standards are maintained and a commitment to add value to the Authority.



## Richard Anderson, Engagement Manager

Richard plans, manages and leads the delivery of the audit. Richard is the first point of contact for your finance team for discussing any emerging issues.



## Hebe Dyson, Engagement In-charge

Hebe's role is to assist in planning, managing and delivering the audit fieldwork, ensuring the audit is delivered effectively, efficiently and supervises and co-ordinates the on site audit team.

## Audit fees

The planned audit fees are no less than £9,252 (PY: £12,016) for the financial statements audit completed under the Code, which are inline with the scale fee published by PSAA. There is no non-Code (as defined by PSAA) work planned.

In setting your fee, we have assumed that the scope of the audit, and the Authority and its activities, do not significantly change. Where additional audit work is required, we will consider the need to charge fees in addition to the audit fee on a case by case basis. Any additional fees will be discussed and agreed with management and the FRAS Committee.

## Our requirements

To ensure the audit is delivered on time and to avoid any additional fees, we have detailed our expectations and requirements in the following section 'Early Close'. If the requirements detailed overleaf are not met, we reserve the right to postpone our audit visit and charge fees to reimburse us for any additional costs incurred.

Any proposed fee variations will need to be approved by PSAA.

## 8. Early close

### Meeting the 31 July audit timeframe

The statutory date for publication of audited local government accounts last year was brought forward to 31 July 2018, across the whole sector. This was a significant challenge for local authorities and auditors alike. For authorities, the time available to prepare the accounts was curtailed, while, as auditors we had a shorter period to complete our work and faced an even more significant peak in our workload than previously.

We have carefully planned how we can make the best use of the resources available to us during the final accounts period. As well as increasing the overall level of resources available to deliver audits, we have focused on:

- bringing forward as much work as possible to interim audits
- starting work on final accounts audits as early as possible
- seeking further efficiencies in the way we carry out our audits
- working with you to agree detailed plans to make the audits run smoothly, including early agreement of audit dates, working paper and data requirements and early discussions on potentially contentious items.

We are satisfied that, if all these plans are implemented, working together with the Council, we will be able to complete your audit and those of our other local government clients in sufficient time to meet the earlier deadline.

### Regular liaison

We consider it important to meet on a regular basis to understand the Council's plans and developments, as well as any emerging issues which may impact on the financial statements and our audit work. To this end we have held a number of meetings with senior officers at the Council since April 2018.

As part of our liaison meetings, we have already discussed the working paper requirements and key accounting issues your key finance managers. We will continue to hold regular liaison meetings throughout 2019 to support the delivery of a smooth and efficient audit process.

We will continue to consider any developments on the Authority's key areas of estimate or judgement, including dialogue on the Authority's accounting boundary and any significant provisions as part of our 2018-19 audit.

### Client and audit responsibilities

To meet the earlier timetable, we will work together with you so that you are able to:

- produce draft financial statements of good quality by the deadline you have agreed with us, including all notes, the Narrative Report and the Annual Governance Statement
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we will share with you
- ensure that agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

We will also ensure that:

- the audit runs smoothly with the minimum disruption to your staff
- you are kept informed of progress through the use of an issues tracker and weekly meetings during the audit
- we are available to discuss issues with you prior to and during your preparation of the financial statements.

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## 9. Independence & non-audit services

### **Auditor independence**

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2017 and PSAA's Terms of Appointment which set out supplementary guidance on ethical requirements for auditors of local public bodies.

### **Other services provided by Grant Thornton**

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams who could provide services to the Authority.

We can confirm no services were identified and no services have been provided to the Authority.

We have also not provided any services to the Authority in 2017-18, prior to our appointment as external auditors to the Authority.

# Appendix A: Audit approach

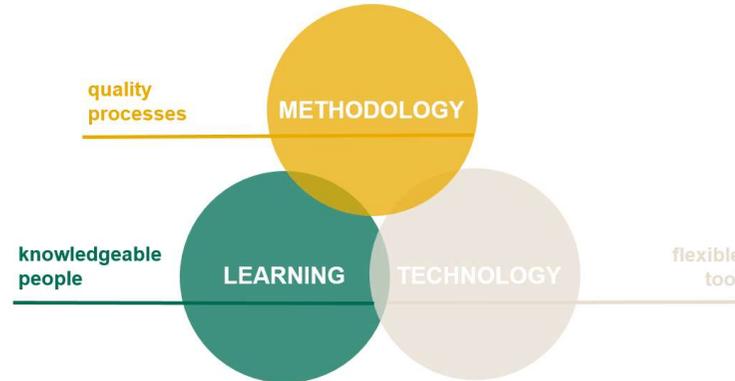
## Use of audit, data interrogation and analytics software

### LEAP



#### Audit software

- A globally developed ISA-aligned methodology and software tool that aims to re-engineer our audit approach to fundamentally improve quality and efficiency
- LEAP empowers our engagement teams to deliver even higher quality audits, enables our teams to perform cost effective audits which are scalable to any client, enhances the work experience for our people and develops further insights into our clients' businesses
- A cloud-based industry-leading audit tool developed in partnership with Microsoft



### IDEA



- We use one of the world's leading data interrogation software tools, called 'IDEA' which integrates the latest data analytics techniques into our audit approach
- We have used IDEA since its inception in the 1980's and we were part of the original development team. We still have heavy involvement in both its development and delivery which is further enforced through our chairmanship of the UK IDEA User Group
- In addition to IDEA, we also use other tools like ACL and Microsoft SQL server
- Analysing large volumes of data very quickly and easily enables us to identify exceptions which potentially highlight business controls that are not operating effectively

### Appian



#### Business process management

- Clear timeline for account review:
  - disclosure dealing
  - analytical review
- Simple version control
- Allow content team to identify potential risk areas for auditors to focus on

### Info



Cloud based software which uses data analytics to identify trends and high risk transactions, generating insights to focus audit work and share with clients.



#### REQUEST & SHARE

- Communicate & transfer documents securely
- Extract data directly from client systems
- Work flow assignment & progress monitoring



#### ASSESS & SCOPE

- Compare balances & visualise trends
- Understand trends and perform more granular risk assessment



#### VERIFY & REVIEW

- Automate sampling requests
- Download automated work papers



#### INTERROGATE & EVALUATE

- Analyse 100% of transactions quickly & easily
- Identify high risk transactions for investigation & testing
- Provide client reports & relevant benchmarking KPIs



#### FOCUS & ASSURE

- Visualise relationships impacting core business cycles
- Analyse 100% of transactions to focus audit on unusual items
- Combine business process analytics with related testing to provide greater audit and process assurance



#### INSIGHTS

- Detailed visualisations to add value to meetings and reports
- Demonstrates own performance and benchmark comparisons



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