Grant Thornton

Leicestershire County Council
&
Leicestershire County Pension Fund

Audit progress report and sector update

June 2026

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Audit Progress Report

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Introduction

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This paper provides the Corporate Governance Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Corporate Governance 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: Local government | Grant Thornton

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.

Progress as at June 2026

Financial Statements Audit

The planning and risk assessment phase of our 2025/26 audit was undertaken between February and April 2026, with an earlier timetable of January to March 2026 applied to the Pension Fund audit.

The Audit Plans for both the County Council and the Pension Fund were formally presented to the Corporate Governance Committee on 27 March 2026.

As part of our planning procedures, we obtained an understanding of, and documented, the design effectiveness of key systems and processes relevant to the preparation of the financial statements. In addition, we identified and assessed the significant audit risks associated with both entities.

We have also made good progress in undertaking early substantive testing at both the County Council and the Pension Fund.

Subject to the publication of the draft financial statements, we intend to commence substantive audit fieldwork for the Pension Fund at the end of June 2026. As agreed with the Pension Fund finance team, sample selection will begin from mid-June in certain areas.

This will be followed by the County Council audit, which is scheduled to commence at the end of August. In preparation, we will undertake a two-week sample selection exercise in July and share the selected items with the County Council finance team in advance of our August visit.

Our audit findings will be reported to the November Corporate Governance Committee through our Audit Findings Report.

With specific regard to the County Council audit, on 12 May 2026 we shared a draft timeline and detailed workplan with the Council. This communication outlined the key milestones, deliverables, and audit approach required to achieve the audit opinion deadline of 30 November 2026. A copy of this correspondence is included at Appendix A.

Value for Money

Our work in the following areas is now in progress at the Council:

Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.

Governance - How the Council ensures that it makes informed decisions and properly manages its risks.

Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Our findings will be reported in the Auditor's Annual Report in November 2026.

Progress as at June 2026 (continued)

Meetings

Since commencement of our work in respect of the audit year 2025/26 we have met with The Director of Corporate Resources and Deputy Director of Resources on 2nd February 2026, 11th March and 3rd June. We have also met with members of the finance teams across both the Council and Pension Fund on multiple occasions.

Senior finance officers also attended our Chief Accountants webinar which took place on 4th March 2026.

Events

We provide a range of workshops and network events.

Events taking place shortly include a webinar exploring the roles and responsibilities of Audit Committee Chairs and members, and how the Audit Committee functions within a wider governance landscape. The webinar will be held on Thursday 2nd July from 4.00pm to 5.30pm.

Register your place: Effective audit committees in local government | Grant Thornton

Audit Fees

PSAA published their scale fees for 2025/26: 2025/26 audit fee scale - PSAA

These fees are £289,960 for the Council audit and £115,490 for the Pension Fund. These fees are derived from the procurement exercise carried out by PSAA in 2022. They reflect both the increased work auditors must now undertake as well as the scarcity of audit firms willing to do this work.

Leicestershire County Council - Audit Deliverables

Below are the audit deliverables for 2025/26:

	Responsibility	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the Corporate Governance Committee (CGC) setting out our proposed approach in order to give an opinion on the Council's 2025/26 financial statements.		March 2026	Complete
Interim Testing Visit - We will select samples for testing and evidence will be provided to ensure testing is complete by end of May 2026.	Council	February and April 2026	Complete
Audit Progress Report		June 2026	Complete – this committee
Draft Financial Statements - draft financial statements as required under the Accounts & Audit Regulations 2015 (as amended)	Council	30 June 2026	Not yet due
Complete set of Supporting Working Papers - Working papers that support the draft financial statements to be provided in line with agreed timescales (per Appendix A)	Council	July and August 2026	Not yet due
Audit Progress Report		18 September 2026 CGC	Not yet due
Audit Findings Report The Audit Findings Report will be reported to the Corporate Governance Committee.		27 November 2026 CGC	Not yet due
Auditor's Annual Report This report communicates the key outputs of the audit, including our commentary on the Council's value for money arrangements.		27 November 2026 CGC	Not yet due
Auditor's Report This includes the opinion on your financial statements.		November 2026	Not yet due

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Leicestershire Pension Fund - Audit Deliverables

Below are the audit deliverables for 2025/26:

	Responsibility	Planned Date	Status
Initial Planning Inquiries	Grant Thornton and Pension Fund	February 2026	Complete
Audit Plan - We are required to issue a detailed audit plan to the Corporate Governance Committee (CGC) setting out our proposed approach in order to give an opinion on the Council's 2025/26 financial statements.	Grant Thornton	March 2026	Complete
Interim Testing Visit - We will select samples for testing and evidence will be provided to ensure testing is complete by 31 March 2026. This includes testing of the triennial membership data used to support the 2025 actuarial valuation.	Pension Fund	2 March to 31 March 2026	Complete
Audit Progress Report - An Audit Progress Report will be reported to the Corporate Governance Committee.	Grant Thornton	26 June 2026 CGC	Complete – this committee
Draft Financial Statements - draft financial statements as required under the Accounts & Audit Regulations 2015 (as amended)	Pension Fund	30 June 2026	Not yet due
Complete set of Supporting Working Papers - Working papers that support the draft financial statements	Pension Fund	30 June 2026	Not yet due
Draft Pension Fund Annual Report - Draft of Pension Fund Annual Report as required under regulation 57 of the Local Government Pension Scheme Regulations 2013	Pension Fund	31 July 2026	Not yet due
Audit Progress Report - An Audit Progress Report will be reported to the Corporate Governance Committee.	Grant Thornton	18 September 2026 CGC	Not yet due
Audit Findings Report - The Audit Findings Report will be reported to the Corporate Governance Committee.	Grant Thornton	27 November 2026 CGC	Not yet due
Auditor's Report - This includes the opinion on your financial statements.	Grant Thornton	By 30 November 2026	Not yet due
Auditor's Consistency Statement - This includes the consistency statement for inclusion within the Pension Fund Annual Report.	Grant Thornton	By 30 November 2026	Not yet due

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Sector Updates

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Webinar for Audit Committees and other interested parties

We invite you to register attendance at our fourth webinar for Audit Committee members and other interested parties.

Audit Committee members and other interested parties are invited to join us at a webinar on 2nd July 2026 from 4pm until 5.30 pm, to learn more about:

- ❖ The roles and responsibilities of the Audit Committee Chair and members;
- ❖ The systems, structures and behaviours needed to perform as an effective Committee;
- ❖ The importance of Audit Committee self-assessment;
- ❖ Connections between the role performed by the Committee and other parts of the governance framework – Full Council, Cabinet and Scrutiny;
- ❖ Current local government sector trends, and the importance of the new Local Audit Office; and
- ❖ Resources available for support.

Audit Committees play a pivotal role in safeguarding governance in the local government sector. An effective Audit Committee can be the gatekeeper for standards and compliance; and the guard against weakness in arrangements. Our webinar will include an opportunity for questions and answers, and give you everything you need to move forward with confidence.

Please register your place here: Effective audit committees in local government | Grant Thornton

We look forward to welcoming you.

Devolution and local government reorganisation

Audit Committee are encouraged to review our good practice checklist and reach out for latest technical updates.

Latest key developments to be aware of:

❖ 25th March 2026 – Government decisions published on unitary structures for four of the six Devolution Priority Programme (DPP) areas. Next steps published for the remaining two areas. Written statements - Written questions, answers and statements - UK Parliament

❖ 29th April 2026 – Royal Assent given to the English Devolution and Community Empowerment Act, enhancing powers and responsibilities for strategic authorities; establishing combined authorities; and strengthening local audit arrangements. English Devolution Bill receives Royal Assent - GOV.UK

❖ 7th May 2026 – First shadow elections held in East and West Surrey. Surrey Local Elections May 2026 results – Surrey LGR Hub

Key future dates to be aware of:

Three councils have been reported as mounting legal challenges to reorganisation. Subject to the outcome of their challenges, remaining key dates to be aware of are:

❖ April 2027 – Surrey shadow authorities' vesting day.

❖ May 2027 – Shadow elections - all DPP areas except Sussex and Brighton; and reorganised new local government bodies.

❖ April 2028 – Vesting day for all DPP areas except Sussex and Brighton; and reorganised new local government bodies.

❖ May 2028 – Shadow elections Sussex and Brighton Devolution Priority Programme areas.

Recommended reading:

❖ A good practice checklist for councils embarking on LGR can be found in our report: Learning from the new unitary councils.

❖ Audit Committees can request updated technical guidance reflecting latest developments from their Engagement Lead.

Latest changes to laws and regulations

For information: Recent legal and regulatory changes that Audit Committees need to be aware of.

Changes that Audit Committees need to be aware of:	Dates	Further information
English Devolution and Community Empowerments Act	29th April 2026 – Royal Assent	Enhanced powers and responsibilities for local government, and new local audit arrangements
Renter Rights Act	1st May 2026 – Officially took effect	Introduces new duties for local authorities to take enforcement action for beaches and tenancy law by private landlords
Social Housing Renewal Bill	13th May 2026 – King's Speech	Changes to eligibility requirements, discount rules and exemptions planned for Right to Buy
Overnight Visitor Levy Bill	13th May 2026 – King's Speech	Mayors and potentially other local leaders to be able to change new tourist taxes
Education for AI Bill	13th May 2026 – King's Speech	Planned changes to arrangements for young people with Special Educational Needs and Disabilities
Public Office (Accounting Bill)	13th May 2026 – King's Speech	Introduces new duties of candour for local authorities and other public bodies
Town and Country Planning (local Planning) (England) Regulations 2026	25th March 2026 – Statutory Instruments	New system introduced for Local Plans
Combined Authorities (overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Order 2026	14th May 2026 – Statutory Instruments	Provides a formal mechanism for setting commissioner allowances in Combined Authorities and Combines County Authorities
Sporting Events Bill	14th May 2026 – Impact Assessment and DCMS Memorandum	Proposes new enforcement powers for local authorities in ticketing protection

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Latest changes to laws and regulations

For information: Recent legal and regulatory changes that Pension Committees and Audit Committees need to be aware of.

Changes that Audit Committees need to be aware of:	Dates	Further information
Pensions Scheme Act 2026	29 April 2026 – Royal Assent	The Act will introduce a series of reforms to defined benefit (DB) schemes and sections, to defined contribution (DC) schemes and sections, and to the Local Government Pension Scheme (LGPS).
English Devolution and Community Empowerments Act	29 April 2026 – Royal Assent	Section 98 amends section 20 of the Local Audit and Accountability Act with the aim of paving the way for the separation of LGPS financial statements from those of the administering authority. This will still require secondary legislation to bring it into force.
The Local Government Pension Scheme (Miscellaneous Amendments) (Member Benefits) Regulations 2026 (SI 2026/226)	Came into force 1 April 2026 – Statutory Instruments	Cover the first phase of the Access and Fairness proposals. The reforms address discrimination in survivor benefits regulations, make changes to the rules governing breaks in service to try to address the gender pensions gap and make some adjustments to the McCloud remedy.
The Local Government Pension Scheme (Amendment) (Elected Member Pensions) Regulations 2026 (SI 2026/346)	Came into force 11 May 2026 – Statutory Instruments	Provides mayors and councillors in England with access to the LGPS again.
The Local Government Pension Scheme (Elected Member Pensions) (Consequential Amendment) Regulations 2026 (SI 2026/410)	Came into force 11 May 2026 – Statutory Instruments	As above.
Local Government Pension Scheme (Amendment) (Governance) Regulations 2026 (SI 2026/545)	Laid before Parliament on 21 May 2026 coming into force on 30 June 2026 – Statutory Instruments	Amend the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) with the aim of strengthening and updating governance arrangements applying to administering authorities
Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026 (SI 2026/544)	Laid before Parliament on 21 May 2026 coming into force on 30 June 2026 – Statutory Instruments.	Replace the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 and give legal effect to the proposals set out in the Pooling and Local Investment chapters of the 'Fit for the Future' consultation.

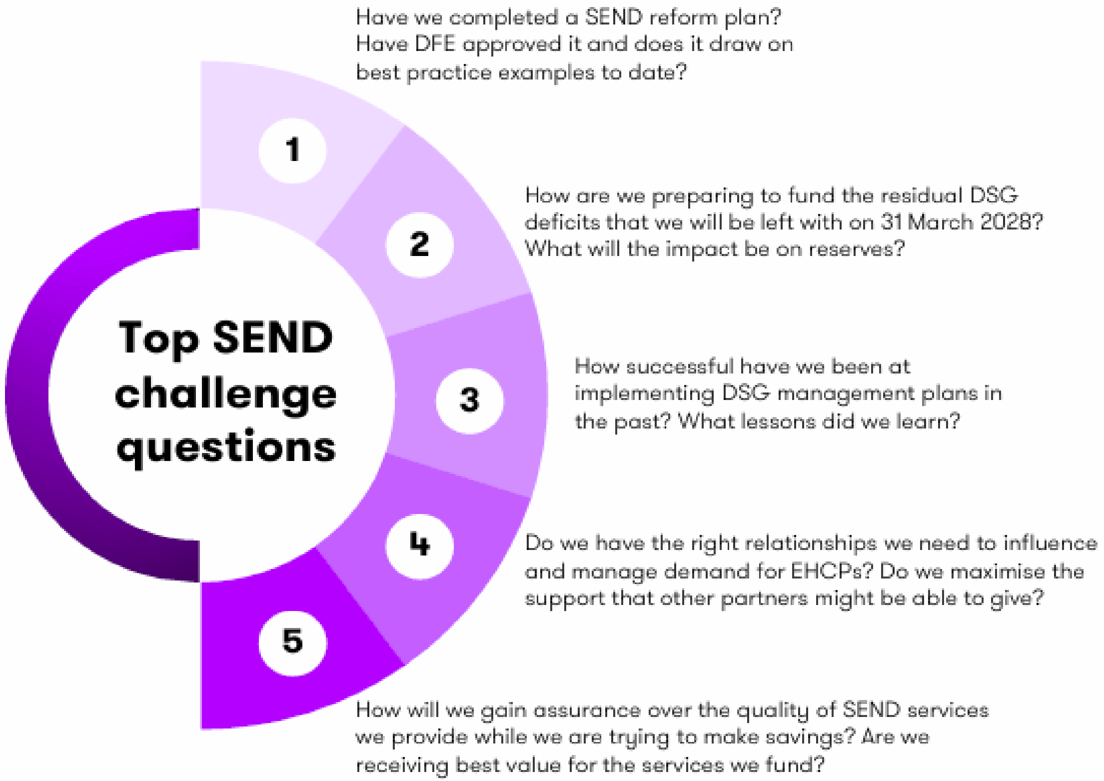
Lessons from Auditor’s Annual Reports on Managing Dedicated Schools Grant Deficits

For information: Residual SEND related risks to be aware of, despite proposed reform.

Our latest report on Lessons from Auditors’ Annual Reports, published on 20th May 2026, highlights lessons for Managing Dedicated Schools Grant Deficits.

- ❖ New commitments by the government to fund up to 90% of Dedicated Schools Grant deficits on 31st March 2026, if Councils can agree SEND reform plans for their area with the Department for Education (due by 19th June 2026);
- ❖ The financial risks that councils will face once statutory override ends on 31st March 2028;
- ❖ Difficulties encountered so far by councils in effective planning for the management of DSG deficits;
- ❖ The benefits of working proactively with psychologists, teachers and families to make the most of current arrangements; and
- ❖ The importance of maintaining quality and efficiency in SEND service.

With the arrival of the Education for All Bill, Audit Committee members are encouraged to ask their councils:



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CIPFA Bulletin 23 – Closure of the 2025/26 financial statements

CIPFA has issued Bulletin 23 (April 2026) to support authorities in preparing the 2025/26 Statement of Accounts. The bulletin covers key areas that authorities should consider for 2025/26.

Indexation of non-investment assets

The bulletin includes a useful list of answers to frequently asked questions on indexation for preparers of accounts.

Key reminders include:

- ❖ Authorities need to adopt a five-year revaluation cycle, with indexation in intervening years, replacing more frequent revaluations.
- ❖ It applies to most property, plant and equipment, excluding council dwellings, along with leased assets if measured at valuation.
- ❖ Indexation maintains asset values in line with market changes, and authorities should continue to review asset lives and indicators of impairment.
- ❖ CIPFA do not prescribe which indices authorities may use - authorities must select appropriate indices, justify choices, and use the latest available data.
- ❖ In rare cases where no index is available a desktop valuation is required in year three.

For a full copy of Bulletin 23, see CIPFA Bulletin 23 – Closure of the 2025/26 financial statements | CIPFA

More detailed guidance on indexation is available in CIPFA's CIPFA Bulletin 22 Indexation application guidance | CIPFA

Dedicated Schools Grant (DSG) high needs stability grant

The bulletin highlights that the grant is subject to conditions, including the requirement to obtain Department for Education approval of a local SEND reform plan.

Authorities will need to consider their specific facts and circumstances (which may vary) to determine the appropriate treatment within their own 2025/26 accounts, including:

- ❖ whether or not grant income should be recognised.
- ❖ whether disclosures are necessary (eg contingent assets, events after the reporting period).

Audit Committees can help by asking:

- ❖ What assurance is available that the indexation applied is appropriate for the authority's various assets within the scope of indexation, and is supported by sufficient external evidence and professional input?
- ❖ If applicable, does the treatment of high needs stability grant appropriately reflect the requirements of the CIPFA Code, including the timing of income recognition and transparency of disclosures?

Valuing people

For information: Audit Committees need to be mindful of workforce and people-related challenges facing the sector.

The Public Services People Manager's Association held their latest Annual Conference in Birmingham in April this year and heard thoughts on whether the time is right for Chief People Officer to become a statutory role, equivalent to Monitoring and s151 Officer.

With challenges around skills retention, and with local government reorganisation creating uncertainty and instability for those employed across the sector, the timing for this debate could perhaps never be better.

Local Government Association workforce data shows that:

- ❖ More than 1 million people are directly employed by councils across England, at a cost of £35.8 billion per annum; and
- ❖ More than one million additional people are employed in council-commissioned Adult Social Care through the private sector.

In addition to those formally employed across the local government sector, the Health Foundation recently estimated that 1 in 6 adults in the UK carry out unpaid care work, providing essential top up for public services that are the statutory responsibility of local authorities.

CQC is currently consulting on proposed changes to its regulatory process. The intention is to replace 34 "Quality Statements" with 24 "Key Lines of Enquiry", looking at how local authorities deliver care and, amongst other things, lending greater weight to how local authorities work professionally with the unpaid carers whose work supports statutory provision.

Carers UK held an inaugural State of Caring conference in May 2026 hearing, amongst other things, about the tipping point unpaid carers can reach if not given the right support. CQC's change of emphasis seems a well-timed recognition of the reality of how significant elements of social care are provided across England today.

Neighbourhood health frameworks

Audit Committees need to ask their councils what steps are being taken to prepare for changes in the way they work with the NHS.

A new policy paper on Neighbourhood health frameworks was published on 17th March 2026 – setting out plans to create a new "neighbourhood health service". This:

- ❖ Builds on ambitions first set out by the government in 2025 to move the focus of health care from hospital treatment to community prevention; and
- ❖ sets out expectations for neighbourhood level partnership working across the health and care system from 2027/28 onwards (with the NHS, local authorities and community and voluntary partners).

As the NHS is embarking on a period of restructuring, and local government is reorganising at the same time, councils will need to be clear about what their responsibilities are; how they will agree local neighbourhood health objectives with partners; and how they will measure progress.

Audit Committees can help by asking officers:

- ❖ What are the risks for our council, and how are these mitigated?
- ❖ How do we identify key public health partners and agree strategic objectives with them?
- ❖ How will we measure neighbourhood health achievements?

Fit for purpose - partnerships and procurement

Audit Committees need to ask their councils how robust their leisure partnerships and procurement are.

Whilst high profile government announcements in May on the Olympics and stadium regeneration highlighted the economic importance of sport for regeneration in local areas, councils are already doing an excellent job using leisure contracts to deliver health and social care impacts in their areas.

SOLACE and Alliance Leisure held a roundtable in April 2026 highlighting the role that local authority leisure centres are starting to play in the NHS ten-year plan's health prevention agenda, including:

- ❖ Co-locating libraries and community services with leisure centres; and
- ❖ Providing clinical deliveries such as health checks and rehabilitation at leisure centres.

To make the most of the opportunities their leisure estate provides, councils need to be develop and maintain effective relationships not only with the NHS and community and voluntary groups, but also with the commercial contract partners that manage and operate the centres.

In April, one of England's largest outsourced leisure centre operators (Fusion Lifestyle), appointed administrators following multiple financial distresses built up in the wake of the Covid-19 pandemic; rising energy costs; and reduced government funding. Affected councils have had to take their leisure services back in house while they look for alternative providers.

Financial pressure is common across the sector, and there is a risk of disruption elsewhere in England.

Audit Committees can help by asking officers:

- ❖ Are our services for residents and schools at risk?
- ❖ When was the last time we checked the financial health of our contract operators?
- ❖ Do we have a register of community and voluntary sector partners that we are co-delivering social and health prevention impacts with?
- ❖ When was the last time our leisure estates strategy was updated? Are we optimising the use of the estates that we have?
- ❖ How are we measuring the performance of our leisure estates and leisure contracts?
- ❖ Where applicable, what oversight is the health scrutiny committee exercising?

Committee resources

Commentary from Grant Thornton on recovering the accounts preparation and audit timetable:

Local audit reset: What comes after the backstop? | Grant Thornton

Latest guidance and learning from Grant Thornton on local government reorganisation and devolution:

Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton

Dual delivery - How can areas successfully reorganise local government and implement devolution at the same time?

Learning from the new unitary councils

Grant Thornton learning on procurement and contract management:

Local government procurement and contract management

Audit Committee and organisational effectiveness in local authorities (CIPFA):

https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector

Global Internal Audit Standards in the UK Public Sector | CIPFA

CIPFA Good Governance

Delivering Good Governance in Local Government Addendum

The Three Lines of Defence Model (IAA)

https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf

Risk Management Guidance / The Orange Book (UK Government):

https://www.gov.uk/government/publications/orange-book

Appendix A - Project Management Plan for delivering the 2025-26 audit

Our ref:
Your ref:

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12 May 2026

Dear Declan

Project Management Plan for delivery the 2025-26 audit

Ahead of us starting our work on your 2025-26 Accounts, we wanted to send you a letter to set out our plans for your audit timelines for the current year. As you are aware, for years ending 31 March 2027, the backstop date moves forward to the 30th November 2027.

In order to be able to achieve the targets for the next two financial years, as a firm we are looking to put things in place to enable us to achieve the end of November 2027 deadline. To help make this achievable, we are going to undertake a dry run of finishing our work on the 2025-26 Accounts by the end of November 2026. On this basis, we would like you to assist with this process by firstly setting a Corporate Governance Committee (CGC) date in advance of the end of November 2026, to enable us to sign off our opinion by that date. We would note that the NAO has already set a requirement that our Value for Money (VfM) work is completed by 30 November each year which has been set to align with the upcoming 30 November accounts deadline.

In advance of that, we are looking to start our work on your accounts in July 2026, and we have agreed that you will provide your draft financial statements to us on 30th June. This is an important first step towards achieving closure by the end of November. From this date, we will request information from you to enable us to start initial sample selections and will then provide this to you in order for you to collate appropriate and sufficient audit evidence.

In Appendix A overleaf, we have set out some key performance measures and milestones based on the conversations that we have already had with your finance team. Appendix B provides a more detailed schedule of audit activity with planned start and completion dates that we can mutually hold each other to account to ensure that the audit is delivered in line with planned expectations. This is a summarised version of the more detailed delivery plan that the audit team have developed which goes down to individual activity level. The detailed working paper request list will now be based on this timeline and will be shared with the finance team this week. You will see from the early sample testing agreed we will select items for testing in relation to receivables and payables. This has taken longer than expected in prior years. We have highlighted this to the finance team and suggest discussions are held to streamline this process.

We will share progress against this plan as part of our regular liaison meetings to ensure that we are both fully sighted on the stage of completion and where there are potential areas of focus where action is required to get back on track. This will also act as an early warning where additional time is required, or further testing is being undertaken that might lead to additional fees and hopefully provide an opportunity to address or mitigate this.

This plan should allow us as a firm to deliver our 2025-26 audits by the end of November 2026, which will then put us in a strong position ahead of the backstop formally moving to the end of November 2027. As we move into 2026/27 our expectation is that all working papers to support the financial statements will all be available on 1 July 2027. We appreciate this will require a change on how both sides will need to work to make this a reality, but we are committed to making this happen.

We will undertake early engagement with your finance team to clearly set out our expectations and what is needed to make a success of these plans. MHCLG have asked us as a firm to report by 31 July 2026, on a case-by-case basis, our assessment of the Council's ability to both maintain and where necessary rebuild assurance. Having a clear and agreed project plan to complete all financial statements and VfM work by 30 November is a key part of this assurance.

If you have any queries or questions, then do not hesitate to let us know.

Yours sincerely,

Helen Lillington

Director, Public Sector Audit

Appendix A

APPENDIX A

Key metrics

KPI measure	Target	Achieved
Delivery of accounts by agreed audit deadline	1st July	Yes/No
Delivery of accounts by statutory deadline (30 June)	30th June	Yes/No
RAG rating of quality and completeness of draft financial statements	Green	Green – draft accounts are complete and of good quality Amber – draft accounts are complete with some missing notes or incomplete disclosures Red – draft accounts are not complete with areas of work still in progress and/or significant notes are incomplete
% of audit working papers requests available at agreed timelines	100%	X%
RAG rating of quality and completeness of working papers	Green	Green – working papers are complete and of good quality with clear cross referencing to the financial statements. Listings provided from the general ledger to support balances within the accounts are provided at a transactional level and are 'clean'. (Significant contras are removed) Amber – working papers of a reasonable quality but some additional clarification or reconciliation needed to agree to the financial statements Red – working papers are unclear and do not provide appropriate audit trail between the financial statements and the accounting records
% of audit samples returned within 5 working days	100%	X%
RAG rating of quality and completeness of audit sampling evidence	Green	Green – sample documentation is comprehensive and of good quality with clear cross referencing to the items sampled Amber – sample documentation of a reasonable quality but some additional clarification or reconciliation needed to agree to items sampled Red – sample documentation is unclear or incomplete and does not provide appropriate audit evidence to support the items sampled
Draft audit findings report issued in advance of CGC	10 days prior to CGC	Yes/No
Draft Auditors Annual report issued in advance of CGC	2 weeks prior to CGC	Yes/No
Audit opinion issued by agreed target date	30th November	Yes/No

APPENDIX B

		High level audit areas for completion
First week	6th July	Update risk assessment and initial sample selection
Second week	20th July	Further sample selection week
Core audit visit	31st August – 30th October	All testing to be completed and issues resolved by end of October.
Final visit	2nd November	Completion and reporting
Corporate Governance Committee	27th November	

Early sample selection working papers required prior to 31st August

Accounts Area – High Risk or large volume	Working papers to support sample selection to be provided by Council	Samples to be with the client	Response to sample needed from the client
Trial balance which agrees to financial statements and full ledger GL breakdown (this will be required to be completed before any sample selection)	2nd July	N/A	N/A
Land and Buildings valuation	6th July	14th July	10th August
Journals	17th July	28th July	17th August
Receivables	6th July	14th July	10th August
Payables	6th July	14th July	10th August
Grant Income	17th July	28th July	17th August
Opex – non controcc sample	17th July	28th July	17th August
Fees and charges	17th July	28th July	17th August
Completeness samples - Income	17th July	28th July	17th August
Completeness samples - Expenditure	6th July	14th July	10th August
PPE rights and obligations, additions and contractual commitments samples	17th July	28th July	17th August
REFCUS	6th July	14th July	10th August

Other working papers required prior to 31st August

Accounts Area – High Risk or large volume	Working papers to be provided by Council
Pension balances	27th July
Bank and cash	27th July
Financial instruments	27th July
Joint Arrangements	27th July

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