

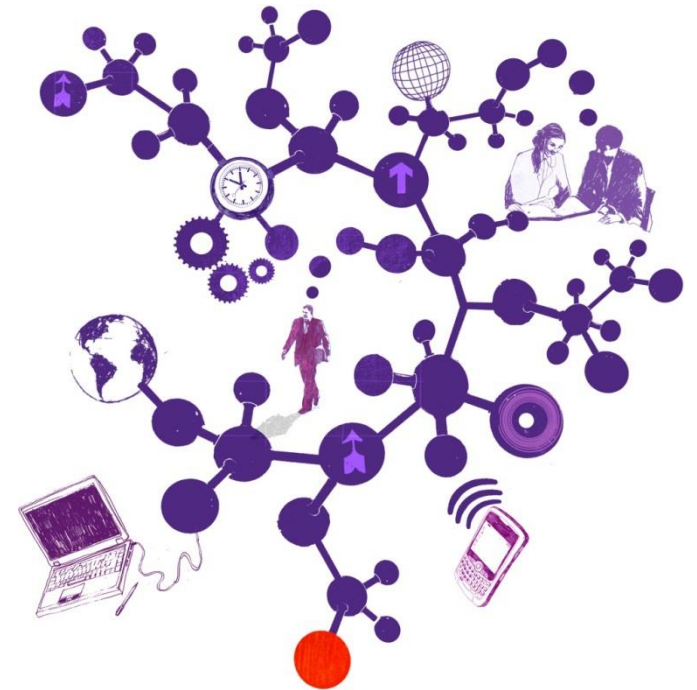
# Informing the audit risk assessment Enquiries to those charged with governance – Burnley Borough Council

Year ended 31 March 2017

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# Purpose

The purpose of this report is to contribute towards the effective two-way communication between auditors and the Council's Audit and Standards Committee, as 'those charged with governance'. The report covers some important areas of the auditor risk assessment where we are required to make inquiries of the Audit and Standards Committee under auditing standards.

## Background

Under International Standards on Auditing (UK and Ireland) (ISA(UK&I)) auditors have specific responsibilities to communicate with the Audit Committee. ISA(UK&I) emphasise the importance of two-way communication between the auditor and the Audit Committee and also specify matters that should be communicated.

This two-way communication assists both the auditor and the Audit and Standards Committee in understanding matters relating to the audit and developing a constructive working relationship. It also enables the auditor to obtain information relevant to the audit from the Audit and Standards Committee and supports the Audit and Standards Committee in fulfilling its responsibilities in relation to the financial reporting process.

## Communication

As part of our risk assessment procedures we are required to obtain an understanding of management processes and the Audit and Standards Committee's oversight of the following areas:

- Financial reporting
- Fraud
- Laws and regulations
- Going concern
- Related party transactions
- Accounting estimates.

This report includes a series of questions on each area with provision for responses from both management and the Audit and Standards Committee. We suggest that Management should complete the relevant sections before submitting these responses to the Audit and Standards Committee. The Audit and Standards Committee should consider whether these responses are consistent with the its understanding, before completing the relevant sections applicable to them.

# Financial reporting and internal control

Questions for Management	Management response
What do you regard as the key events or issues that will have a significant impact on the financial statements for 2016/17?	The new layout of the CIES based on reporting lines and the Expenditure and Funding Analysis.
Have you considered the appropriateness of the accounting policies adopted by the Council? Have there been any events or transactions that may cause you to change or adopt new accounting policies?	Yes the appropriateness of the account policies has been considered and no there are no events which would consider a material change.
Are you aware of any changes to the Council's regulatory environment (laws, accounting standards, corporate governance & other regularity requirements) that may have a significant impact on the Council's financial statements?	No
How would you assess the quality of the Council's internal control processes?	Robust
How would you assess the Council's process for reviewing the effectiveness of internal control?	Comprehensive via the annual governance process
How do the Council's risk management processes link to financial reporting?	Risk Management is part of the way the council works and is specifically covered as part of the annual governance review as a key element of good governance. It is specifically covered in the reporting of the MTFS, Treasury management and in the Pensions element of the annual reports.
Is there any use of financial instruments, including derivatives?	No
Are you aware of any significant transactions outside the normal course of business?	No

# Fraud

## Issue

### Matters in relation to fraud

ISA (UK&I) 240 covers auditors responsibilities relating to fraud in an audit of financial statements.

The primary responsibility to prevent and detect fraud rests with both the Audit and Standards Committee and management. Management, with the oversight of the Audit and Standards Committee, needs to ensure a strong emphasis on fraud prevention and deterrence and encourage a culture of honest and ethical behaviour. As part of its oversight, the Audit and Standards Committee should consider the potential for override of controls and inappropriate influence over the financial reporting process.

As auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error. We are required to maintain professional scepticism throughout the audit, considering the potential for management override of controls.

As part of our audit risk assessment procedures we are required to consider risks of fraud. This includes considering the arrangements management has put in place with regard to fraud risks including:

- assessment that the financial statements could be materially misstated due to fraud
- process for identifying and responding to risks of fraud, including any identified specific risks
- communication with the Audit and Standards Committee regarding its processes for identifying and responding to risks of fraud
- communication to employees regarding business practices and ethical behaviour.

We need to understand how the Audit and Standards Committee oversees the above processes. We are also required to make inquiries of both management and the Audit and Standards Committee as to their knowledge of any actual, suspected or alleged fraud. These areas have been set out in the fraud risk assessment questions below together with provision for responses to inform both auditor's and those charged with governance.

# Fraud risk assessment

Questions for Management	Management response
<p>How would you assess the Council's arrangements for identifying and responding to the risk of fraud? What has been the outcome of these arrangements this year?</p>	<p>The Council has an annual fraud risk assessment which indicates the major and emerging fraud areas. This also detail the ability and actions of the authority to control and reduce these risks. From this the Council's view is that there is no material risk of fraud in the financial statements.</p>
<p>Have any specific fraud risks, or areas with a high risk of fraud, been identified and what has been done to mitigate these risks?</p>	<p>There are a wide range of processes in place to counter fraud risks. Some of the main ones are identified in the annual fraud risk assessment. There are appropriate policies which are followed and require sound internal control processes, such as authorisation and segregation of duties. The operation of the Strategic Partnership widens the council capacity to respond to frauds.</p>
<p>Are internal controls, including segregation of duties, in place and operating effectively?  If not, where are the risk areas and what mitigating actions have been taken?</p>	<p>Yes</p>
<p>Are there any areas where there is a potential for override of controls or inappropriate influence over the financial reporting process (for example because of undue pressure to achieve financial targets)?</p>	<p>The Council recognises that this is a risk but has not identified that this has materialised during the year.</p>
<p>Are there any areas where there is a potential for misreporting override of controls or inappropriate influence over the financial reporting process?</p>	<p>No</p>

# Fraud risk assessment

Questions for Management	Management response
What arrangements are in place to report fraud issues and risks to the Audit and Standards Committee?	There is an annual fraud risk assessment which is reported to the Audit and Standards Committee. Internal audit investigated frauds are reported to audit committee and the outcomes from NFI exercises are reported.
How does the Council communicate and encourage ethical behaviour of its staff and contractors?	In addition to the governance training mentioned above there are codes of conduct and training.
How do you encourage staff to report their concerns about fraud? Have any significant issues been reported?	There is a Whistle blowing process in place and no significant issues have been identified. Fraud Awareness Training is provided to all colleagues.
Are you aware of any related party relationships or transactions that could give rise to risks of fraud?	No, there is significant transparency in the Councils arrangements with reporting of payments and contracts, and linkage to any related party. Clear policies have been provided for addressing any potential conflict of interests and dealing with any gifts or hospitality offers.
Are you aware of any instances of actual, suspected or alleged, fraud, within the Council during the current financial period (since 1 April 2016)?	No specific frauds have been identified during the period.



# Fraud risk assessment

Questions for Audit and Standards Committee	Audit and Standards Committee response
<p>How does the Audit and Standards Committee oversee management's processes for:</p> <ul style="list-style-type: none"> <li>• carrying out an assessment of the risk the financial statements may be materially misstated due to fraud or error</li> <li>• identifying and responding to the risk of breaches of internal control</li> <li>• identifying and responding to risks of fraud in the organisation (including any specific risks of fraud which management have identified or that have been brought to its attention, or classes of transactions, account balances, or disclosure for which a risk of fraud is likely to exist)</li> <li>• communicating to employees its views on appropriate business practice and ethical behaviour (for example by updating, communicating and monitoring against the codes of conduct)?</li> </ul>	<p>The Audit and Standards Committee receive an annual fraud risk assessment and a report on the major risks in preparation of the annual accounts. It has received reports on the work of Internal Audit into the investigation of fraud and on the National Fraud Initiative data matching outcomes. The committee also has oversight of the codes of conduct for both members and officers and over the Whistleblowing process and receives reports on the outcomes of these areas.</p>
<p>Is the Committee aware of any actual, suspected or alleged fraud? If so please provide details.</p>	<p>There is no specifics other than reported by management.</p>
<p>Has the Committee considered the risk of material misstatements (misreporting ) by management?</p>	<p>The principal risks in production of the accounts are reported to the Audit and Standards Committee. There is also the assurances from the Annual Governance Statement and the fraud risk assessment.</p>
<p>What is the Committee's assessment of the impact of misappropriation on the statements?</p>	<p>The Audit and Standards Committee's view that the impact of misappropriation is minimised by the operation of effective internal controls and robust governance mechanisms.</p>

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# Laws and regulations

## Issue

### Matters in relation to laws and regulations

ISA(UK&I)250 requires us to consider the impact of laws and regulations in an audit of the financial statements.

Management, with the oversight of the Audit and Standards Committee, is responsible for ensuring that the Council's operations are conducted in accordance with laws and regulations including those that determine amounts in the financial statements.

As auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error, taking into account the appropriate legal and regulatory framework. As part of our risk assessment procedures we are required to make inquiries of management and the Audit and Standards Committee as to whether the entity is in compliance with laws and regulations. Where we become aware of information of non-compliance or suspected non-compliance we need to gain an understanding of the non-compliance and the possible effect on the financial statements.

Risk assessment questions have been set out below together with provision for management's response to inform both auditor's and those charged with governance.

# Impact of Laws and regulations

Questions for Management	Management response
What arrangements does the Council have in place to prevent and detect non-compliance with laws and regulations, (incl accounting standards and corporate governance requirements)?	The Council's Monitoring Officer is in place with a duty to consider the legality of decisions and potential maladministration. There are qualified and capable accountants and other professionals who review decisions.
How does management gain assurance that all relevant laws, regulations and standards have been complied with?	The senior management is responsible for ensuring that Council policies, procedures and systems are compliant with legal, regulatory and other applicable standards. They are supported by capable officers. There are policies in place to support this and independent inspections from internal audits and third parties.
Have there been any instances of non-compliance or suspected non-compliance with law and regulation since 1 April 2016, or earlier with an on-going impact on the 2016/17 financial statements?	No
What are your policies and procedures for identifying, assessing and accounting for litigation and claims?	Legal services collate such information for example as part of insurance administration. Accountancy are then informed if accounting treatment is necessary.
Is there any actual or potential litigation or claims that would affect the financial statements?	These are as reported in the provisions and contingent liabilities elements of the statements of accounts.
Can you provide details of those solicitors utilised by the Council during the year. Please indicate where they are working on open litigation or contingencies from prior years?	
Can you provide details of other advisors consulted during the year and the issue on which they were consulted?	
Have there been any reports from other regulatory bodies, such as HM Revenues and Customs which indicate non-compliance?	No
How is the Audit and Standards Committee provided with assurance that all relevant laws, standards, requirements and regulations have been complied with?	Assurances are provided from heads of service as part of their governance statements.
Have any of the Council's service providers reported any items of fraud, non-compliance with laws and regulations or uncorrected misstatements which would affect the financial statements of the Council?	No, they have provided as similar assurance statement to the council.

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# Impact of Laws and regulations

Questions for Audit and Standards Committee	Audit and Standards Committee response
Is the Committee aware of any non-compliance with relevant laws, standards, requirements and regulations?	No
If there have been instances of non-compliance, what oversight has the Committee had to ensure that actions are taken by management to address any gaps in control?	No instances
Is the Committee aware of any actual or potential litigation or claims that would affect the financial statements?	Those that are reported as part of the statement of accounts.

# Going Concern

## Issue

### Matters in relation to Going Concern

ISA(UK&I)570 covers auditor responsibilities in the audit of financial statements relating to management's use of the going concern assumption in the financial statements.

The going concern assumption is a fundamental principle in the preparation of financial statements. Under this assumption entities are viewed as continuing in business for the foreseeable future. Assets and liabilities are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of business.

The code of practice on local authority accounting requires an authority's financial statements to be prepared on a going concern basis. Although the Council is not subject to the same future trading uncertainties as private sector entities, consideration of the key features of the going concern provides an indication of the Council's financial resilience.

As auditor, we are responsible for considering the appropriateness of use of the going concern assumption in preparing the financial statements and to consider whether there are material uncertainties about the Council's ability to continue as a going concern that need to be disclosed in the financial statements. We discuss the going concern assumption with management and review the Council's financial and operating performance.

Going concern considerations have been set out below with provision for management's response to inform both auditor's and those charged with governance.

# Going Concern Considerations

Questions for Management	Management response
<p>What is the process for undertaking a rigorous assessment of going concern: in particular</p> <ul style="list-style-type: none"> <li>• Is the process carried out proportionate in nature and depth to the level of financial risk and complexity of the organisation and its operations?</li> <li>• How will you ensure that all available information is considered when concluding the organisation is a going concern at the date the financial statements are approved?</li> </ul>	<p>The Council has a range of procedures to ensure it remains a going concern. It has a Medium Term Financial Strategy which is monitored and updated, and a reserves strategy to support a minimum level of balances. The Section 151 officer is required to ensure that there a robust annual budget. Financial risks are identified as part of the Strategic Risk Register. Budget Monitoring of in year budget controls on-going income and expenditure.</p>
<p>Has the senior officer team carried out an assessment of the going concern basis for preparing the financial statements? What was the outcome of that assessment?</p>	<p>Senior finance officers advise management team on a regular basis. It is considered that the Council has sufficient reserves to meet any extraordinary liabilities, has sufficient available borrowing powers (should there ever be a need for unplanned funding of unplanned costs) and the Council will continue to be a going concern.</p>
<p>Is management aware of the existence of other events or conditions that may cast doubt on the Council's ability to continue as a going concern?</p>	<p>There are no other issues which management is aware of to cast doubt on the council as a going concern.</p>
<p>Are arrangements in place to report the going concern assessment to the Audit and Standards Committee?</p>	<p>S114 report by exception to full Council External audit would be alerted In the event of an issue about the going concern of the Council and the issue of a S151 report this would be presented to the Audit and Standards Committee.</p>
<p>Are the financial assumptions in that report (e.g., future levels of income and expenditure) consistent with the Business Plan and the financial information provided to throughout the year?</p>	<p>Assumptions and risk assessment are provided in the budget and MTFS report</p>
<p>Are the implications of statutory or policy changes appropriately reflected in the Business Plans, financial forecasts and report on going concern?</p>	<p>Such changes incorporated into MTFS and Strategic Plan. Any risks are considered and incorporated into strategic risk register if significant. Senior Management are involved fully in the budget preparation and monitoring processes and are required to certify that their budgets cover their anticipated net costs before the overall budget is set.</p>

# Going Concern Considerations

Questions for Management	Management response
<p>Have there been any significant issues raised with the Audit and Standards Committee during the year which could cast doubts on the assumptions made? (Examples include adverse comments raised by internal and external audit regarding financial performance or significant weaknesses in systems of financial control).</p>	<p>No adverse comments have been raised to the Council via External or Internal Audit or via the Annual Governance process. The Council has a good record of adapting and facing financial issues</p>
<p>Does a review of available financial information identify any adverse financial indicators including negative cash flow? If so, what action is being taken to improve financial performance?</p>	<p>MTFS identifies a future funding gap to enable proactive management to address the shortfall. Recent examples of this includes the review of Treasury Management which will be factored into future assessments of the MTFS. In addition the recent appointment of a strategic partner will ensure sustainable savings. This is not just the consideration of outsourcing but also increasing commercial awareness and preparing the Council to adapt to these and other challenges.</p> <p>The Council has maintained significant balances throughout 2016/17 despite being internally borrowed to a reasonable degree (compared with other LA's).</p>
<p>Does the Council have sufficient staff in post, with the appropriate skills and experience, particularly at senior manager level, to ensure the delivery of the Council's objectives? If not, what action is being taken to obtain those skills?</p>	<p>Yes</p>
Questions for Audit and Standards Committee	Audit and Standards Committee response
<p>How does the Committee satisfy itself that it is appropriate to adopt the going concern basis in the preparation of the financial statements?</p>	<p>Audit and Standards Committee have been informed in March of the major risks to financial reporting and the accounting policies adopted. This consideration of risk and policies includes assessing going concern.</p> <p>The Annual Governance Statement is available to members of the Audit and Standards Committee when approving the accounts on a going concern basis.</p>

# Related parties

## Issue

### Matters in relation to related parties

ISA(UK&I) 550 covers auditor responsibilities relating to related party transactions.

Many related party transactions are in the normal course of business and may not carry a higher risk of material misstatement. However in some circumstances the nature of the relationships and transaction may give rise to higher risks.

For local government bodies, the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires compliance with IAS 24: related party disclosures. The Code identifies the following as related parties to local government bodies: entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the Council (i.e. subsidiaries) associates

- joint ventures in which the Council is a venturer
- an entity that has an interest in the Council that gives it significant influence over the Council
- key officers, and close members of the family of key officers
- post-employment benefit plan (pension fund) for the benefit of employees of the Council, or of any entity that is a related party of the Council.

The Code notes that, in considering materiality, regard should be had to the definition of materiality, which requires materiality to be judged from the viewpoint of both the Council and the related party.

ISA (UK&I) 550 requires us to review your procedures for identifying related party transactions and obtain an understanding of the controls that you have established to identify such transactions. We will also carry out testing to ensure the related party transaction disclosures you make in the financial statements are complete and accurate.



# Related Party Considerations

Question	Management response
Who are the Council's Related Parties?	<p>The council receives monies from Central Government and as such they are a related party. In addition the Council is related through funding and Common Management and declared interests to other organisations.</p> <p>Burnley Leisure Calico Homes Ltd Barnfield Investment Properties Limited, Barnfield and Burnley (Developments) Limited, Barnfield Construction Ltd and Barnfield Developments Ltd Local Parish and Town Councils Lancashire County Council Blackburn with Darwen Council</p> <p>In total Members and Chief Officers have declared 154 organisational links.</p>
What are the controls in place to identify, account for, and disclose, related party transactions and relationships?	<p>Members and Officers are required to maintain declarations of interest. In the case of Members this is a public register. In addition to this there are codes of conduct that require both officers and members to declare potential conflicts of interest and to avoid involvement in any related party decisions where there is a potential conflict of interest.</p>

# Estimates

## Issue

### Matters in relation to Accounting Estimates

Local authorities need to apply appropriate estimates in the preparation of their financial statements. Accounting estimates are used when it is not possible to measure precisely a figure in the accounts. ISA (UK&I) 540 sets out requirements for auditing accounting estimates.

The objective is to gain evidence that the accounting estimates are reasonable and the related disclosures are adequate.

We need to obtain an understanding of:

- how management identifies the transactions, events and conditions that give rise to the need for an accounting estimate.
- how management actually make the estimates, including the control procedures in place to minimise the risk of misstatement.

We need to be aware of all estimates that the Council is using as part of its accounts preparation. These are set out overleaf. The audit procedures we conduct on the accounting estimate will demonstrate that:

- the estimate is reasonable; and
- estimates have been calculated consistently with other accounting estimates within the financial statements.

## Estimate considerations

Questions for Management	Management response
Are management aware of transactions, events and conditions (or changes in these) that may give rise to recognition or disclosure of significant accounting estimates that require significant judgment?	None identified.
Are you aware of the existence of loss contingencies and/or un-asserted claims that may affect the financial statements?	None other than those reported.
What is the current position on significant issues included as contingencies and provisions as at 31 March 2016 as reported in the prior year's audited accounts?	All contingencies and provisions have been reviewed, amended where appropriate, and considered to be reasonable at the 31 <sup>st</sup> March 2017.
Are management arrangements for the accounting estimates, set out on the following pages reasonable?	Yes they continue to be appropriate and reasonable.
How is the Audit and Standards Committee provided with assurance that the arrangements for accounting estimates are adequate?	They consider the accounting policies in March and are taken through the SOA prior to approval.

# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"> <li>• assessment of degree of uncertainty</li> <li>• consideration of alternative estimates</li> </ul>	Change in accounting method in year?
Property Plant and Equipment Valuations	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	All valuations were carried out internally. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. Valuations of vehicles, plant and equipment are based on historic cost.	Yes, the Councils own qualified surveyors.	The following fair value hierarchy provides further information on the approach used to determine and measure fair value of certain assets and liabilities:  Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date. Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly Level 3 – unobservable inputs for the asset or liability	No
Depreciation and amortisation	As above				No

# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"><li>• assessment of degree of uncertainty</li><li>• consideration of alternative estimates</li></ul>	Change in accounting method in year?
Estimated remaining useful lives of PPE	As above				No

# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"> <li>• assessment of degree of uncertainty</li> <li>• consideration of alternative estimates</li> </ul>	Change in accounting method in year?
Impairments	<p>Assets are assessed at each year end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.</p> <p>Where impairment losses are identified, they are accounted for by:</p> <p>Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount is written down against that balance (up to the amount of the accumulated gains).</p> <p>Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service lines in the Comprehensive Income and Expenditure Statement.</p> <p>Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service lines in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.</p>	Code and RICS guidance	Qualified internal valuer	Degree of uncertainty minimised by use of guidance issued	No

# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"> <li>• assessment of degree of uncertainty</li> <li>• consideration of alternative estimates</li> </ul>	Change in accounting method in year?
Impairment Allowance for Doubtful Debts	An impairment allowance has been made for doubtful debts and known uncollectable debts have been written off during the year. The balance of the impairment allowance for doubtful debts is used to reduce the overall level of Short-Term Debtors as disclosed in Note 13.	Assessment of the increase / decrease in debt compared to previous impairment allowance.	Internal assessment	Estimates of potential doubtful debts are based on historical experience of collection rates, having regard to the age of the individual outstanding debts and any known information about the individual debtors.	No

# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"> <li>• assessment of degree of uncertainty</li> <li>• consideration of alternative estimates</li> </ul>	Change in accounting method in year?
Provisions	<p>We have identified and reviewed the level of provisions required at the Balance Sheet date where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.</p> <p>Consultation has taken place between Heads of Service, the Council's Monitoring Officer, senior officers, Management Team and external organisations.</p> <p>Details are included within Note 16.</p>	Assessment and likelihood of risk	Management Team, Heads of Service and Analyse Local consulted	Review of schemes / issues identified throughout the year	No

# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"> <li>• assessment of degree of uncertainty</li> <li>• consideration of alternative estimates</li> </ul>	Change in accounting method in year?
Accruals	The majority of accruals based on actuals. Where estimates are used historical data or best available information is used as detailed in Note 4 and the Accounting Policies.	Known actuals plus assessment made of previous years' estimates and utilising the most up-to-date information available	Finance staff and Heads of Service	Attempt to minimise the use of estimation by using actual figures	No



# Estimate considerations

Estimate	Method	Controls used to identify estimates	Use of an expert	Underlying assumptions: <ul style="list-style-type: none"> <li>• assessment of degree of uncertainty</li> <li>• consideration of alternative estimates</li> </ul>	Change in accounting method in year?
Pension Liability	Supply of information to LGPS actuary	Code and pension legislation	Yes, Mercers actuarial service have been engaged by all members of the Lancashire superannuation scheme	Check Mercers assumptions and information used to produce figures are consistent with the data provided by the Council	No
Non adjusting events – events after the balance sheet date	Any material changes after the balance sheet date will be adjusted for and reported prior to the final approval of the statement of accounts.	On-going communication with senior officers in the organisation and colleagues in other Councils.	All Council officers	Ensure all actual costs tie back to any estimation method used. Finance staff / Heads of Service to notify where this isn't the case	No



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