



# Aberdeen City Integration Joint Board

ISA 260: Audit report to those charged with governance and the  
Controller of Audit - year ended 31 March 2018

8 June 2018

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# Contents

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	Page
<b>Introduction</b>	3
<b>Financial statements and accounting</b>	4
<b>Appendices</b>	13

## About this report

This report has been prepared in accordance with the responsibilities set out within the Audit Scotland's *Code of Audit Practice* ("the *Code*").

This report is for the benefit of Aberdeen City Integration Joint Board ("the IJB") and is made available to Audit Scotland and the Controller of Audit (together "the Beneficiaries"). This report has not been designed to be of benefit to anyone except the Beneficiaries. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Beneficiaries, even though we may have been aware that others might read this report. We have prepared this report for the benefit of the Beneficiaries alone.

Nothing in this report constitutes an opinion on a valuation or legal advice.

We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the introduction and responsibilities section of this report.

This report is not suitable to be relied on by any party wishing to acquire rights against KPMG LLP (other than the Beneficiaries) for any purpose or in any context. Any party other than the Beneficiaries that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Beneficiary's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Beneficiaries.

## Complaints

If at any time you would like to discuss with us how our services can be improved or if you have a complaint about them, you are invited to contact Andy Shaw, who is the engagement leader for our services to the IJB, telephone 0131 527 6673, email: andrew.shaw@kpmg.co.uk who will try to resolve your complaint. If your problem is not resolved, you should contact Hugh Harvie our Head of Audit in Scotland, either by writing to him at Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG or by telephoning 0131 527 6682 or email to hugh.harvie@kpmg.co.uk. We will investigate any complaint promptly and do what we can to resolve the difficulties. After this, if you are still dissatisfied with how your complaint has been handled you can refer the matter to Russell Frith, Assistant Auditor General, Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN.



# Introduction

## Scope and responsibilities

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### Purpose of this report

The Accounts Commission has appointed KPMG LLP as auditor of Aberdeen City Integration Joint Board ("the IJB") under part VII of the Local Government (Scotland) Act 1973 ("the Act"). The period of appointment is 2016-17 to 2021-22, inclusive.

This report to those charged with governance is designed to summarise our opinions and conclusions on significant issues arising from the audit. It is addressed to both those charged with governance at the IJB and the Controller of Audit. The scope and nature of our audit were set out in our audit strategy document which was presented to the Audit and Performance Systems Committee at the outset of our audit.

Audit Scotland's Code of Audit Practice ("the Code") sets out the wider dimensions of public sector audit which involves not only the audit of the financial statements but also consideration of wider scope areas. We will comment on these areas in the Annual Audit Report to be issued in September 2018. For 2017-18 we are reporting in two phases, as a result of the shorter timeframe for audit of the financial statements compared to prior years.

### Accountable officer responsibilities

The Code sets out the IJB's responsibilities in respect of:

- corporate governance;
- financial statements and related reports;
- standards of conduct for prevention and detection of fraud and error
- financial position; and
- Best Value

### Auditor responsibilities

This report reflects our overall responsibility to carry out an audit in accordance with our statutory responsibilities under the Act and in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and the Code. Appendix five sets out how we have met, or plan to meet by September 2018, each of the responsibilities set out in the Code.

### Scope

An audit of the financial statements is not designed to identify all matters that may be relevant to those charged with governance.

Weaknesses or risks identified are only those which have come to our attention during our normal audit work in accordance with the Code, and may not be all that exist.

Communication by auditors of matters arising from the audit of the financial statements or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

Under the requirements of International Standard on Auditing (UK and Ireland) ('ISA') 260 *Communication with those charged with governance*, we are required to communicate audit matters arising from the audit of financial statements to those charged with governance of an entity.

This report to those charged with governance and our presentation to the Audit and Performance Systems Committee, together with previous reports to the committee throughout the year, discharges the requirements of ISA 260.



# Financial statements and accounting

## Audit conclusions

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### Audit opinion

Following approval of the annual accounts by the Board **we issued** an unqualified opinion on the truth and fairness of the state of the IJB's affairs as at 31 March 2018, and of the deficit for the year then ended.

There are no matters identified on which we are required to report by exception.

### Financial reporting framework, legislation and other reporting requirements

The IJB is required to prepare its annual accounts in accordance with International Financial Reporting Standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2017-18 ("the Code"), and in accordance with the Local Authority Accounts (Scotland) Regulations 2014. Our audit confirmed that the annual accounts have been prepared in accordance with the Code and relevant legislation.

### Statutory reports

We have not identified any circumstances to notify the Controller of Audit that indicate a statutory report may be required.

### Other communications

We did not encounter any significant difficulties during the audit. There were no other significant matters arising from the audit that were discussed, or subject to correspondence with management that have not been included within this report. There are no other matters arising from the audit, that, in our professional judgement, are significant to the oversight of the financial reporting process.

### Audit misstatements

No audit misstatements were identified during the audit.

### Written representations

Our representation letter will not include any additional representations to those that are standard as required for our audit.

# Financial statements and accounting

## Materiality and summary of risk areas

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### Materiality

We summarised our approach to materiality in our audit strategy document. On receipt of the financial statements and following completion of audit testing we reviewed our materiality levels and concluded that the level of materiality set at planning was still relevant.

We used a materiality of £2.5 million for the IJB's financial statements. This equates to 1% of expenditure. We designed our procedures to detect errors in specific accounts at a lower level of precision than our materiality: for the IJB accounts our performance materiality was £1.875 million. We report all misstatements greater than £125,000.

### Forming our opinions and conclusions

In gathering the evidence for the above opinions and conclusions we:

- performed substantive procedures to ensure that key risks to the annual accounts have been covered;
- reviewed internal audit reports as issued to the Audit and Performance Systems Committee to ensure all key risk areas which may be viewed to have an impact on the annual accounts had been considered;
- reviewed estimates and accounting judgements made by management and considered these for appropriateness;
- considered the potential effect of fraud on the annual accounts through discussions with senior management to gain a better understanding of the work performed in relation to the prevention and detection of fraud; and
- attended Audit and Performance Systems Committee meetings to communicate our findings to those charged with governance, and to update our understanding of the key governance processes.

### Significant risks and other focus areas in relation to the audit of the financial statements

We summarise below the risks of material misstatement as reported within the audit strategy document.

Significant risks:

- Management override of controls fraud risk; and
- Fraudulent revenue recognition;

Other focus areas:

- Completeness and accuracy of expenditure; and
- Financial sustainability.

No further significant risks or other matters were identified during our audit work.

# Financial statements and accounting

## Significant risks

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SIGNIFICANT RISK	OUR RESPONSE	AUDIT CONCLUSION
<b>Fraud risk from management override of controls</b>  Professional standards require us to communicate the fraud risk from management override of controls as a significant risk; as management is typically in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	<p>Our audit methodology incorporates the risk of management override as a default significant risk. We have not identified any specific additional risks of management override relating to the audit of the IJB.</p> <p>Strong oversight of finances by IJB management, as well as management at the executive level, provides additional review of potential material errors caused by management override of controls.</p> <p>In line with our methodology, we evaluated the controls in place over budget monitoring, and agreed the total income, expenditure and debtor balances to confirmations from the partner organisations.</p>	<p>There were no specific circumstances identified which would indicate additional risk of management override of controls. No overrides in controls were identified.</p> <p>We consider the budget monitoring control to be robust, however given that tolerance levels are not defined up front, our audit methodology does not allow us to place reliance on this control.</p>
<b>Fraudulent income recognition</b>  Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk.	<p>As set out in our audit strategy document, the Board receives funding from Aberdeen City Council and NHS Grampian. These are agreed in advance of the year, with any changes arising from changes in need, requiring approval from each body. There is no estimation or judgement in recognising this stream of income and we do not regard the risk of fraud to be significant.</p> <p>We have obtained confirmations of income from each of the partner organisations.</p>	<p>No exceptions were noted in agreeing income to partner organisation confirmations.</p> <p>We are satisfied that income is recognised appropriately, in the correct financial year and in line with the CIPFA Code.</p>

# Financial statements and accounting

## Other focus areas

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OTHER FOCUS AREA	OUR RESPONSE	AUDIT CONCLUSION
<b>Financial sustainability</b>  Financial sustainability looks forward to the medium and longer term to consider whether the Board is planning effectively to continue to deliver its services or the way in which they should be delivered. This is inherently a risk to the Board given the challenging environment where funding is reduced and efficiency savings are required	<p>In order to assess the ability of the IJB to continue to deliver services in the medium to long term, we have reviewed the following key documents:</p> <ul style="list-style-type: none"><li>— Integration scheme (as updated in March 2018).</li><li>— Reserves strategy.</li><li>— Medium term financial strategy.</li><li>— Transformation programme.</li></ul> <p>We enquired of the external auditors of Aberdeen City Council (KPMG) and NHS Grampian (Audit Scotland) as to the financial sustainability of those organisations.</p>	<p>The IJB has detailed plans in place over the medium term to consider how services will be provided in future years. These take into consideration known and expected budget pressures. In response, plans have been prepared to close the funding gap through a combination of service transformation, efficiency savings and service redesign. Within total reserves of £8.3 million, a risk fund of £1.75 million is held as at 31 March 2018 to provide some cover for unexpected events or emergencies.</p> <p>Having enquired of the external auditors of the partner organisations which share the funding obligations of the IJB, we are not aware of financial sustainability qualifications for those organisations.</p> <p>In view of the medium term financial strategy, reserves position and the financial position of the partner organisations, we consider that the IJB is financially sustainable. Management needs to continue to ensure that the robust financial plans are monitored closely to identify any potential overspends as soon as possible to allow mitigating action to be taken.</p> <p>We will provide fuller consideration of financial sustainability in the Annual Audit Report, as part of the wider scope dimensions.</p>

# Financial statements and accounting

## Other focus areas (continued)

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OTHER FOCUS AREA	OUR RESPONSE	AUDIT CONCLUSION
<p><b>Completeness and accuracy of expenditure</b></p> <p>The Board receives expenditure forecasts from Aberdeen City Council and NHS Grampian as part of the annual budgeting process. There is a risk that actual expenditure and resulting funding requisition income is not correctly captured.</p>	<p>The closing balances with the partner organisations were agreed to confirmations from each body, and the split of expenditure on the comprehensive income and expenditure statement agreed to reports from the partner organisations.</p> <p>The IJB does not post journals throughout the year, with financial processing taking place at the partner bodies. Consolidation adjustments are posted as part of the year end accounts preparation process. These post-closing entries were tested without exceptions identified.</p>	<p>The expenditure disclosed in the accounts is complete and accurate.</p>

# Financial statements and accounting

## Qualitative aspects and future developments

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### Qualitative aspects

ISA 260 requires us to report to those charged with governance our views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures.

We consider the accounting policies adopted by the IJB to be appropriate. There are no significant accounting practices which depart from what is acceptable under IFRS or the CIPFA Code.

Financial statement disclosures were considered against requirements of the Code, relevant legislation and IFRS. No departures from these requirements were identified.

Audit Scotland issued a guidance document in April 2018, *Good practice note on improving the quality of local authority accounts: Integration joint boards*. We considered this report when reviewing the draft financial statements of the IJB and suggested amendments as a result to support in good practice financial reporting. Notwithstanding this, we consider the draft financial statements to be of good quality.

There were no new accounting standards adopted by the Code during 2017-18 which affected the IJB.

There are no significant accounting estimates.

Financial statement disclosures were considered against requirements of the Code, relevant legislation and IFRS. No departures from these requirements were identified.

### Future accounting and audit developments

The following developments will be relevant to the IJB in future years, although given the nature of the financial statements will not impact significantly.

CIPFA / LASAAC consulted on amendments to the Code for IFRS 9 Financial instruments and IFRS 15 Revenue from contracts with customers in 2017. The 2018-19 Code has been updated to include IFRS 9 and IFRS 15.

Other changes to the 2018-19 Code include:

- additional guidance on the principles of revenue recognition in section 2.1 (Concepts), to coincide with the introduction of IFRS 15;
- updates to section 3.4 (Presentation of Financial Statements) to reflect the disclosure requirements under IAS 7 *Statement of Cash Flows: Disclosure Initiative*; and
- Section 3. clarification of the reporting requirements for debtors and creditors in section 3.4 following removal of the disclosure requirements for the analysis of debtors and creditors in sections 5.2 (Debtors) and 8.1 (Creditors). Section 3.4 includes a number of clarifications on the segmental reporting arrangements in the Code.

IFRS 16 Leases will bring a significant number of operating leases onto the balance sheet unless they are low value or have less than a year to run. The consultation period for the inclusion of IFRS 16 in the 2019-20 Code ends on 7 September 2018. CIPFA/LASAAC will revisit accounting for PFI liabilities which are currently under finance lease accounting rules of IAS 17, which is being replaced by the new standard.

# Financial statements and accounting

## Financial statements preparation and internal controls

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### Financial statements preparation

Draft financial statements and high quality working papers were provided at the start of the audit fieldwork on 21 May 2018. This included the management commentary and annual governance statement. The timetable is earlier than for other integration joint boards and is required to meet the group reporting requirements of Aberdeen City Council. Management's achievement of the deadline whilst maintaining quality is commendable.

In advance of our audit fieldwork we issued a 'prepared by client' request, a list of required analyses and supporting documentation. The standard of the documentation was good and there was evidence of accountability and ownership of working papers. Responses to audit queries were answered effectively and openly and were addressed on a timely basis.

### Internal controls

Aberdeen City Council and NHS Grampian are the partner bodies of the IJB. All financial transactions of the Board are processed through the financial systems of the partner bodies and are subject to the same controls and scrutiny as the council and health board. As a result we do not test controls over financial transactions, instead we perform a substantive audit.

### Internal audit

Internal audit provides the Board and Chief Officer with independent assurance on the Board's overall risk management, internal control and corporate governance processes. Each partner organisation has its own internal audit service, with Chief Internal Auditor of Aberdeenshire Council also holding the appointment of Chief Internal Auditor of the IJB.

The IJB takes assurance from the results audit work carried out at Aberdeen City Council, NHS Grampian and the IJB itself. For 2017-18 the Board's Chief Internal Auditor concluded that reasonable assurance can be placed on the adequacy and effectiveness of the Board's systems of governance, risk and internal control.

We considered the activities of internal audit against the requirements of Public Sector Internal Audit Standards ("PSIAS"), focusing our review on the public sector requirements of the attribute and performance standards contained within PSIAS. We reviewed internal audit reports and conclusions, and through discussion obtained the views of internal audit of risks of fraud within the Council. We consider the internal audit service to be appropriate for the scale of the IJB's operations.

The review of internal audit reports and conclusions do not indicate additional risks and there was no impact on our audit approach.

# Financial statements and accounting

## Management reporting in financial statements

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REPORT	SUMMARY OBSERVATIONS	AUDIT CONCLUSION
Management commentary	<p>The Local Authority Accounts (Scotland) Regulations 2014 require the inclusion of a management commentary within the annual accounts, similar to the Companies Act requirements for listed entity annual accounts.</p> <p>We are required to read the management commentary and express an opinion as to whether it is consistent with the information provided in the annual accounts.</p> <p>We also review the contents of the management commentary against the guidance contained in the CIPFA template IJB accounts.</p>	<p>We are satisfied that the information contained within the management commentary is consistent with the annual accounts.</p> <p>We reviewed the contents of the management commentary against the guidance contained in the CIPFA template IJB accounts and are content with the proposed report.</p> <p>We provided management with some minor suggestions relating to how the management commentary could be enhanced and where additional information disclosures should be made.</p>

# Financial statements and accounting

## Management reporting in financial statements (continued)

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REPORT	SUMMARY OBSERVATIONS	AUDIT CONCLUSION
Remuneration report	The remuneration report was included within the unaudited annual accounts and supporting reports and working papers were provided.	We are satisfied that the information contained within the remuneration report is consistent with the underlying records and the annual accounts and all required disclosures have been made.  Our independent auditor's report confirms that the part of the remuneration report subject to audit has been properly prepared.
Annual governance statement	The statement for 2017-18 outlines the corporate governance and risk management arrangements in operation in the financial year. It provides detail on the governance framework of the IJB through the application of the Nolan principles, a review of the governance framework of the partner organisations, and a review of effectiveness of the IJB. The governance statement was revised by management for 2017-18, drawing on good practice disclosures from Aberdeen City Council and NHS Grampian.	We consider the governance framework and annual governance statement to be appropriate for the IJB and that it is in accordance with guidance and reflects our understanding of the IJB.



# Appendices

# Required communications with the the Audit and Performance Systems Committee

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Type	Response	Type	Response
<b>Our draft management representation letter</b>	 We have not requested any specific representations in addition to those areas normally covered by our standard representation letter for the year ended 31 March 2018.	<b>Modifications to auditor's report</b>	 None.
<b>Adjusted audit differences</b>	 There were no adjusted audit differences.	<b>Disagreements with management or scope limitations</b>	 The engagement team had no disagreements with management and no scope limitations were imposed by management during the audit.
<b>Unadjusted audit differences</b>	 There were no unadjusted audit differences.	<b>Other information</b>	 No material inconsistencies were identified related to other information in the Management commentary, the remuneration report of the annual governance statement. The Management commentary is fair, balanced and comprehensive, and complies with the law.
<b>Related parties</b>	 There were no significant matters that arose during the audit in connection with the entity's related parties.	<b>Breaches of independence</b>	 No matters to report. The engagement team and others in the firm, as appropriate, and the firm have complied with relevant ethical requirements regarding independence.
<b>Other matters warranting attention by the Audit and Performance Systems Committee</b>	 There were no matters to report arising from the audit that, in our professional judgment, are significant to the oversight of the financial reporting process.	<b>Accounting practices</b>	 Over the course of our audit, we have evaluated the appropriateness of the IJB's accounting policies, accounting estimates and financial statement disclosures. In general, we believe these are appropriate.
<b>Control deficiencies</b>	 There were no control deficiencies noted.	<b>Significant matters discussed or subject to correspondence with management</b>	 No significant matters arising from the audit were discussed, or subject to correspondence, with management.
<b>Actual or suspected fraud, noncompliance with laws or regulations or illegal acts</b>	 No actual or suspected fraud involving management, employees with significant roles in internal control, or where fraud results in a material misstatement in the financial statements were identified during the audit.		
<b>Significant difficulties</b>	 No significant difficulties were encountered during the audit.		

# Auditor independence

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### **Assessment of our objectivity and independence as auditor of the Aberdeen City Integration Joint Board ("the IJB")**

Professional ethical standards require us to provide to you at the completion stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

We will communicate any significant judgements made about threats to objectivity and independence and the appropriateness of safeguards put in place.

### **General procedures to safeguard independence and objectivity**

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP directors and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the APB Ethical Standards. As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values;
- Communications;
- Internal accountability;
- Risk management; and
- Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

### **Independence and objectivity considerations relating to the provision of non-audit services**

We have considered the fees charged by us to the IJB for professional services provided by us during the reporting period, as agreed with the Audit and Performance Systems Committee.

No non-audit services were provided to the IJB and no future services have been contracted or had a written proposal submitted.

### **Independence and objectivity considerations relating to other matters**

There are no other matters that, in our professional judgment, bear on our independence which need to be disclosed to the IJB.

### **Confirmation of audit independence**

We confirm that as of the date of this letter, in our professional judgment, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

This report is intended solely for the information of the IJB and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

KPMG LLP



# Prior year recommendations

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We have not identified any new audit recommendations during our audit for the year ended 31 March 2018.

We follow up prior-year audit recommendations to determine whether these have been addressed by management. The table below summarised the recommendations made during the 2016-17 final audit and their current status.

Grade	Number recommendations raised	Implemented	In progress	Overdue
Final	1	1	-	-

Finding(s) and risk(s)	Recommendation(s)	Agreed management actions	Status
<i>Audit dimension: Financial management</i>		<b>Grade three</b>	
<p>There were some delays during the audit due to incorrect versions of documents being provided in the first instance. It was found that the IJB does not have a document management system, so collaborative work between the partners takes place on e-mailed documents.</p> <p>There is a risk that without proper version control in place, incorrect figures could be used to populate the financial statements with erroneous changes not tracked. Where there are deadlines for accounts preparation, these inconsistencies may not be noted.</p>	<p>The IJB should consider implementing a document management system with version control features to allow collaborative working to take place with a greater degree of oversight.</p>	<p><b>Management response:</b> Agreed</p> <p><b>Responsible officer:</b> Alex Stephen</p> <p><b>Implementation date:</b> 31 March 2018</p>	<p>Complete, no issues noted during the 2017-18 audit</p>



# KPMG's Audit quality framework

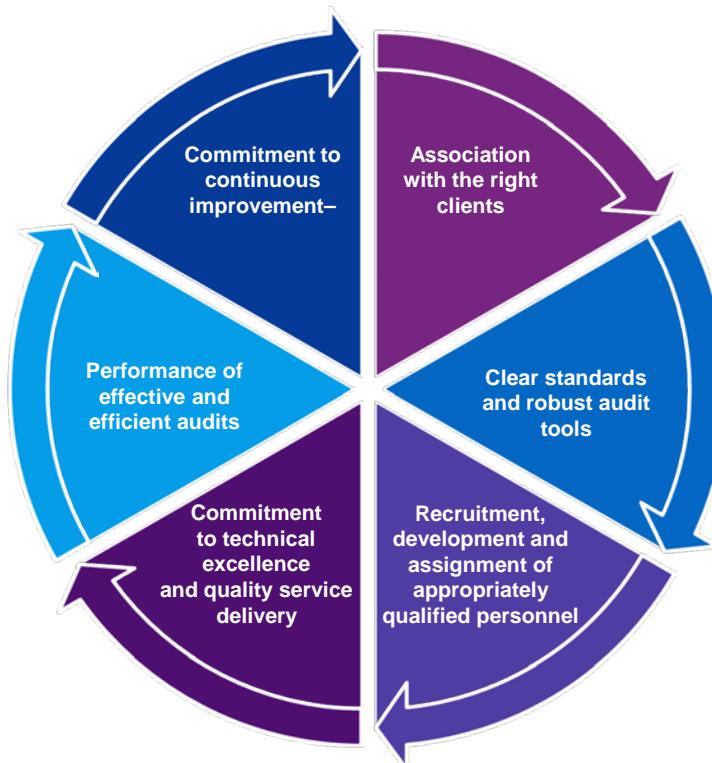
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Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion. To ensure that every partner and employee concentrates on the fundamental skills and behaviours required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework

- Comprehensive effective monitoring processes
- Proactive identification of emerging risks and opportunities to improve quality and provide insights
- Obtain feedback from key stakeholders
- Evaluate and appropriately respond to feedback and findings

- Professional judgement and scepticism
- Direction, supervision and review
- Ongoing mentoring and on the job coaching
- Critical assessment of audit evidence
- Appropriately supported and documented conclusions
- Relationships built on mutual respect
- Insightful, open and honest two way communications

- Technical training and support
- Accreditation and licensing
- Access to specialist networks
- Consultation processes
- Business understanding and industry knowledge
- Capacity to deliver valued insights



- Select clients within risk tolerance
- Manage audit responses to risk
- Robust client and engagement acceptance and continuance processes
- Client portfolio management

- KPMG Audit and Risk Management Manuals
- Audit technology tools, templates and guidance
- Independence policies

- Recruitment, promotion, retention
- Development of core competencies, skills and personal qualities
- Recognition and reward for quality work
- Capacity and resource management
- Assignment of team members and specialists

# Appointed auditor's responsibilities

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AREA	APPOINTED AUDITOR'S RESPONSIBILITIES	HOW WE HAVE MET OUR RESPONSIBILITIES
<b>Statutory duties</b>	Undertake statutory duties, and comply with professional engagement and ethical standards.	Appendix two outlines our approach to independence.
<b>Financial statements and related reports</b>	<p>Provide an opinion on audited bodies' financial statements and, where appropriate, the regularity of transactions.</p> <p>Review and report on, as appropriate, other information such as annual governance statements, management commentaries, remuneration reports, grant claims and whole of government returns.</p>	<p>Page 4 summarises the opinion we have provided.</p> <p>Pages 11 and 12 report on the other information contained in the financial statements, covering the annual governance statement, management commentary and remuneration report.</p>
<b>Financial statements and related reports</b>	Notify the Auditor General or Controller of Audit when circumstances indicate that a statutory report may be required.	Reviewed and concluded on the effectiveness and appropriateness of arrangements and systems of internal control, including risk management, internal audit, financial, operational and compliance controls.
<b>Wider audit dimensions</b>	<p>Demonstrate compliance with the wider public audit scope by reviewing and providing judgements and conclusions on the audited bodies':</p> <ul style="list-style-type: none"> <li>— Effectiveness of performance management arrangements in driving economy, efficiency and effectiveness in the use of public money and assets;</li> <li>— Suitability and effectiveness of corporate governance arrangements;</li> <li>— Financial position and arrangements for securing financial sustainability;</li> <li>— Effectiveness of arrangements to achieve best value;</li> <li>— Suitability of arrangements for preparing and publishing statutory performance information</li> </ul>	We will set out our conclusions on wider scope and best value in our Annual Audit Report which will be issued in September 2018.



The contacts at KPMG in connection with this report are:

Andy Shaw

*Director*

Tel: 0131 527 6673

[andrew.shaw@kpmg.co.uk](mailto:andrew.shaw@kpmg.co.uk)



Natalie Dyce

*Manager*

Tel: 0141 300 5746

[natalie.dyce@kpmg.co.uk](mailto:natalie.dyce@kpmg.co.uk)

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