



The Annual Audit Letter for Tonbridge and Malling Borough Council

Year ended 31 March 2020

December 2020



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Executive Summary

Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Tonbridge and Malling Borough Council (the Council) for the year ended 31 March 2020.

This Letter is intended to provide a commentary on the results of our work to the Council and external stakeholders and to highlight issues that we wish to draw to the attention of the public. In preparing this Letter we have followed the National Audit Office (NAO)'s Code of Audit Practice and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our work on 28 September 2020 in our Audit Findings Report to the Council's Audit Committee as those charged with governance. A final version of our report was issued on 26 November 2020.

Our work

Respective responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Council financial statements (section two)
- assess the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Council financial statements, we comply with International Standards on Auditing (UK) (ISAs) and other guidance issued by the NAO.

| | |
|-------------------------------------|---|
| Materiality | We determined materiality for the audit of the Council's financial statements to be £1,200,000, which is 1.93% of the Council's gross cost of services. |
| Financial Statements opinion | <p>We gave an unqualified opinion on the Council's financial statements on 27 November 2020.</p> <p>Our report included an emphasis of matter in respect of the impact of the Covid-19 pandemic on the valuation of the Council's land and buildings, investment properties, holdings in property investment funds and share In the Kent Pension Fund's property investments as at 31 March 2020. This does not affect our opinion that the statements give a true and fair view of the Council's financial position and its income and expenditure for the year.</p> |
| Use of statutory powers | We did not identify any matters which required us to exercise our additional statutory powers. |

Executive Summary

| | |
|-------------------------------------|--|
| Value for Money arrangements | We were satisfied that the Council put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. We reflected this in our audit report to the Council on 27 November 2020. |
| Certificate | We certified that we have completed the audit of the financial statements of Tonbridge and Malling Council in accordance with the requirements of the Code of Audit Practice on 27 November 2020. |

Working with the Council

Both the Council and the audit team moved to remote working arrangements in March 2020. We continued to have regular contact with the Council throughout our audit of the financial statements, although the remote working arrangements meant that our audit took longer to complete.

We would like to take this opportunity to record our appreciation for the assistance provided by the Council's staff during the audit, particularly given the additional issues associated with remote working as a result of the pandemic.

Grant Thornton UK LLP December 2020

Audit of the Financial Statements

Our audit approach

Materiality

In our audit of the Council's financial statements we use the concept of materiality to determine the nature, timing and extent of our work, and to evaluate the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for the audit of the Council's financial statements to be £1,200,000, which is 1.93% of the Council's gross revenue expenditure. We used this benchmark as, in our view, users of the Council's financial statements are most interested in where the Council has spent its revenue in the year. We set a lower level of materiality, £60,000, for our review of the disclosure on senior officer remuneration.

We set a threshold of £60,000 above which we reported errors to the Audit Committee in our Audit Findings Report.

The scope of our audit

Our audit involves obtaining sufficient evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the other information published with the financial statements (including the Annual Governance Statement and the Narrative Report) to check that this is consistent with our understanding of the Council.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

We identified significant risks and set out overleaf the work we performed in response to these risks and the results of this work.

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|---|---|--|
| <p>Covid-19 The global Covid-19 pandemic has led to unprecedented uncertainty for all organisations, including the Council. We identified risks relating to;</p> <ul style="list-style-type: none"> the impact of remote working arrangements on the Council's process for producing the financial statements, and on the audit team's ability to obtain sufficient, appropriate audit evidence to support our opinion; the greater uncertainty applying to assumptions and estimates made by management, including the potential impact of market volatility on property valuations; and the need for appropriate disclosures in the financial statements on the impact of the pandemic. | <p>As part of our audit work we have:</p> <ul style="list-style-type: none"> worked with management to understand the implications of the response to the pandemic on the Council's ability to prepare the 2019/20 financial statements; evaluated the adequacy of the disclosures in the financial statements in the light of the pandemic; evaluated whether sufficient audit evidence could be obtained through remote technology; and evaluated whether sufficient audit evidence could be obtained to corroborate significant management estimates such as the valuations for property assets. | <p>The Council moved to a remote working environment on 23 March 2020. However, there has been no indication of high sickness levels, changes in roles and responsibilities or IT systems issues with a significant impact on the workings of the finance team. The Council published draft accounts in line with its original timetable.</p> <p>Management concluded that all valuations in respect of the Council's land and buildings, holdings in property investment funds, and share In the Kent Pension Fund's property investments should be reported on the basis of "material valuation uncertainty". Our audit opinion includes an emphasis of matter drawing attention to this disclosure in the financial statements.</p> |

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|--|--|--|
| <p>Valuation of land and buildings The Council revalues its land and building assets using a five year rolling programme. The Council also performs work each year to confirm that the carrying value of all assets at the balance sheet date is not materially misstated, even if a full revaluation has not been performed. All Investment properties are revalued annually.</p> <p>The valuation of these assets represents a significant estimate by management in the financial statements.</p> <p>We designed our work to address the risk that the valuation of land and building assets was materially misstated.</p> | <p>As part of our audit work we;</p> <ul style="list-style-type: none"> evaluated management's processes for the calculation of the estimate, including the instructions issued to the Council's external valuers and the scope of their work; evaluated the competence, capabilities and objectivity of the external valuers; challenged the information and assumptions used by the Council's external valuers, tested revaluations made during the year to see if they had been input correctly into the Council's asset register; and evaluated how management concluded that the carrying value of assets not revalued was not materially misstated. | <p>The Council revalues its assets such that the intervals between valuations do not exceed 5 years; this is a requirement of the CIPFA Accounting Code of Practice. However, audit work indicated that full revaluations for Larkfield Leisure Centre, the Angel Centre and Tonbridge Swimming Pool had not been performed since 2013. We agreed with management that updated valuations would be obtained for these assets. These updated valuations showed an aggregate reduction in value of £3,220,000. The accounts were amended.</p> <p>We noted an error in the measurement of gross internal area used by the Council in the valuation calculations for Larkfield Leisure Centre. This error was corrected as part of the updated full revaluation.</p> <p>We noted a material change in value for the Tonbridge Castle Gatehouse compared with the previous year. Given the specialist nature of this asset we used a Grant Thornton internal valuer to review the approach and assumptions used by the Council's external valuer. We concluded that there had been a change in valuation approach compared with the previous year, but that the valuation was not materially misstated. We agreed that additional disclosure should be added explaining the change in approach.</p> <p>The Council did not revalue all investment properties at 31 March 2020 and therefore did not comply with the CIPFA Accounting Code of Practice. We asked management to obtain additional information to support the valuations for investment properties included in the financial statements. We reviewed this evidence and concluded the valuations for investment properties were not materially misstated. All of the above meant we spent additional audit time in 19/20, in particular the instruction of a professional valuer to support us in the above audit work.</p> |

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|--|--|--|
| <p>Valuation of land and buildings (continued)</p> | | <p>For one investment the valuation at 31 March 2020 was unchanged from the previous year. We noted that the valuation included in the 2018/19 accounts was based on the imminent sale of the asset. However, as at 31 March 2020 the sale had not yet taken place. At a meeting in August 2020 the Council's Area One Planning Committee concluded that they were minded to refuse an associated application for planning permission. If planning permission is not granted then the valuation for this asset included in the 2019/20 financial statements may be materially overstated. We agreed that additional disclosure explaining the position would be included in the financial statements.</p> <p>Our audit work did not identify any other issues in respect of the valuation of land and buildings.</p> |
| <p>Valuation of net pension liability</p> <p>The Council's financial statements include a net liability in respect of the Local Government Pension Scheme (LGPS). This represents a significant estimate in the financial statements.</p> <p>We designed our work to address the risk that the pension fund net liability was materially misstated.</p> | <p>As part of our audit work we;</p> <ul style="list-style-type: none"> • identified and evaluated the design of the controls put in place to ensure that the pension fund net liability was not materially misstated; • assessed the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation | <p>We noted that as a result of the Covid 19 pandemic the accounts for the Kent Pension Fund disclosed a 'material valuation uncertainty' in respect of the valuations for property assets held by the fund. As the Council's share of property assets held in the Kent Pension Fund is material, we agreed with management that this disclosure would also be included in the Council's accounts, and that we would draw attention to the disclosure through an emphasis of matter in our audit opinion.</p> <p>In December 2018 the Court of Appeal ruled that provisions in some public sector pension schemes were discriminatory on the basis of age, the so-called "McCloud" judgement. This ruling has implications for other</p> |

Audit of the Financial Statements

Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|---|---|---|
| Valuation of net pension liability (continued) | <ul style="list-style-type: none"> assessed the accuracy and completeness of the information provided by the Authority to the actuary; confirmed the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary PWC (as auditor's expert) and performing the additional procedures suggested within the report; checked that the disclosures on pensions included in the financial statements were consistent with the actuary's report; and obtained assurance from the auditor of the Kent Pension Fund (KPF) on the validity and accuracy of the membership, contributions and benefits data provided by KPF to the actuary, and used by the actuary to calculate the Council's net pension liability. | <p>pension schemes, including the LGPS. The Council's actuary has estimated that the impact of the ruling is to increase the Council's overall pension liabilities at 31 March 2020 by £780,000.</p> <p>A consultation by HM Treasury on the next phase of the Government's response to address this discrimination commenced in July 2020. This process may lead to changes in the liabilities arising out of the judgment.</p> <p>Management have concluded that the issue is not material. No additional disclosure has been included in the accounts.</p> <p>We concluded that there was no material issue for our opinion.</p> |

Audit of the Financial Statements

Significant Audit Risks - continued

These are the risks which had the greatest impact on our overall strategy and where we focused more of our work.

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|---|--|---|
| <p>Management override of internal controls</p> <p>Under ISA (UK) 240 there is a non-rebuttable presumption that the risk of management over-ride of controls is present in all entities.</p> <p>The Council faces external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We designed our work to address the risk associated with management override of internal controls.</p> | <p>As part of our audit work we;</p> <ul style="list-style-type: none"> evaluated the design effectiveness of management controls over journals; identified and tested unusual journal entries for appropriateness; gained an understanding of the accounting estimates, judgements applied and decisions made by management, and considered their reasonableness; and evaluated the rationale for any changes in accounting policies or significant unusual transactions. | <p>We considered the disclosures on estimation uncertainty relating to the pandemic and agreed a number of changes with management to clarify the position.</p> <p>We also agreed a number of changes to the disclosure on critical judgments in applying accounting policies.</p> <p>We did not identify any other issues in respect of management override of controls.</p> |

Audit of the Financial Statements

Audit opinion

We gave an unqualified opinion on the Council's financial statements on 27 November 2020.

Issues arising from the audit of the financial statements

As a result of the Covid-19 pandemic remote working arrangements for both the Council and the audit team have been in place throughout the audit. This has meant that the audit has taken longer to complete, with screen-sharing and other procedures required to obtain appropriate supporting evidence.

Additional work has also been required in 2019/20 to address the depth and challenge of work now required by the Financial Reporting Council in areas such as the valuation of property assets and the Council's net pension liability.

As outlined in the section on significant risks, further work has also been required to address a number of issues identified during the 2019/20 audit, in particular those relating to asset valuations.

We reported the key issues from our audit to the Council's Audit Committee on 28 September 2020. A final version of our report was issued on 26 November 2020.

Annual Governance Statement and Narrative Report

We are required to review the Council's Annual Governance Statement and Narrative Report.

Both documents were prepared in line with the CIPFA Code and relevant supporting guidance. We confirmed that both documents were consistent with our knowledge and with the Council's financial statements.

Whole of Government Accounts (WGA)

We carried out work in accordance with instructions issued by the NAO. We issued an assurance statement confirming that a review of the Council's data collection tool was not required as the values in the financial statements were below the specified threshold.

Certificate of closure of the audit

We certified that we have completed the audit of the financial statements of Tonbridge and Malling Borough Council in accordance with the requirements of the Code of Audit Practice on 27 November 2020.

Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in April 2020 which specified the criterion for auditors to evaluate:

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

Key findings

Our first step was to perform a risk assessment and identify the risks where we concentrated our work.

The risks we identified and the work we performed are set out overleaf.

Overall Value for Money conclusion

We are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2020.

Value for Money conclusion

Value for Money Risks

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|---|---|---|
| <p>Financial sustainability</p> <p>We identified a significant risk in respect of the Council's arrangements to ensure financial sustainability in the context of the Covid-19 pandemic.</p> | <p>The Council has a history of strong financial management. A 10-year Medium Term Financial Strategy (MTFS) is aligned with the budget-setting process and regularly updated. In recent years there has been a structured approach to addressing the impact of sustained reductions in government funding, with the delivery of savings requirements agreed in tranches over several years, allowing appropriate time for planning and implementation.</p> <p>In its original 2020/21 budget the Council identified a funding gap of £320,000 to be addressed over the lifetime of the MTFS, with a final tranche of savings to be delivered by 31.3.24. At 31.3.20 the Council had a General Revenue Reserve balance of £6,723,000, with other cash-backed revenue reserves, including earmarked reserves and those to support expenditure on capital expenditure and building repairs, of £14,777,000. In its original budget for 2020/21 the Council also established a "budget stabilisation reserve" of £3,500,000; anticipating that direct government funding from New Homes Bonus, business rates and other funding streams would reduce over time, amounts from these funding streams would be transferred to a reserve to help manage financial risks. The Council remains debt-free.</p> <p>The impact of the Covid 19 pandemic on the council's financial position in 2019/20 has been limited, with lockdown arrangements commencing in late March 2020. However, management have concluded that the impact on the Council's finances in 2020/21 and over the lifetime of the MTFS is likely to be very significant.</p> <p>The council faces pressures both from loss of income and additional costs. The loss of income reflects the impact of wider economic conditions, including reduced income from fees and charges (mainly car parking income) and the impact of reduced collection rates for council tax and business rates. The Council currently estimates that the overall loss of income will be £4m in 2020/21, with a further loss of £2m in 2021/22 and £1m in 2022/23.</p> <p>The pandemic has also led to additional costs, including expenditure on community hub arrangements and to meet increased demand for temporary accommodation. Management anticipate that unbudgeted costs of £350,000 will arise in 2020/21, with a further £150,000 in 2021/22. Significant additional costs have also arisen in respect of the Tonbridge and Malling Leisure Trust (TMLT) a charitable trust which operates the Council's leisure centres. To date leisure trusts such as TMLT have not been eligible for financial support provided by central government, and a period of closure during lockdown arrangements, together with current reductions in usage levels, have led to significant reductions in income. The Council has agreed to make payments to TMLT to ensure that the Council's assets are</p> | <p>We concluded that the risk we identified was sufficiently mitigated and that the Council has proper arrangements for securing economy, efficiency and effectiveness in the use of resources.</p> |

Value for Money conclusion

Value for Money Risks

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|--|---|--------------------------|
| <p>Financial sustainability (continued)</p> | <p>properly maintained and that key services continue to be provided, recognising also that further costs would fall on the Council if the Trust ceased operations. An additional budget provision of £1m has been agreed for 2020/21, with a further provision of £700,000 anticipated in 2021/22.</p> <p>The Council has received three tranches of emergency funding totalling £1,550,000 from central government. Further support, currently estimated to be approximately £1,000,000, is anticipated under government plans to compensate Councils for the potential loss of income from council tax and business rates.</p> <p>These pressures have significant implications for the Council's MTFS. In a report to Cabinet on 30 June 2020 the Council modelled the impact of the pressures using three different scenarios, reflecting different assumptions about the duration of the pandemic and the timespan for any economic recovery. The mid-range scenario suggested that the 2020/21 revenue budget would need to be supported by additional calls on reserves of £3,900,000, with further calls of £3,050,000 in 2021/22 and £1,100,000 in 2022/23. Whilst the position continues to change, and although these scenarios are for modelling purposes only, the potential impact on reserves is significant. The Council's current policy is to maintain a General Revenue Reserve balance of at least £3m. Even allowing for the use of the budget stabilisation reserve, the impact of the mid-range scenario would lead to a reduction in the balance of the General Revenue Reserve to between £2m and £3m, although this would not be until 2024/25, and with the balance again rising above £3m by the end of the MTFS period.</p> <p>In this context the Council has recognised the need to re-visit its plans for financial savings. In May 2020 as an immediate response management agreed to an "essential spend only" policy for 2020/21, with anticipated savings of £500,000; reporting at September 2020 indicates savings with a value of £352,000 have been identified to date. The mid-range scenario modelled at June 2020 indicated that savings schemes totalling £600,000 might be required over the lifetime of the MTFS; as at September 2020 this has been revised to £755,000. Initial savings targets of £100,000 have been agreed for both 2020/21 and 2021/22, with a further £555,000 to be achieved by 31 March 2024. These are significant amounts to be delivered on a relatively short timescale.</p> <p>We considered the Council's response to managing the potential impact of the pandemic on its financial sustainability. We noted that management have regularly provided informal updates or summary reports on the financial impact of the</p> | |

Value for Money conclusion

Value for Money Risks

| Risks identified in our audit plan | How we responded to the risk | Findings and conclusions |
|--|--|--------------------------|
| <p>Financial sustainability (continued)</p> | <p>pandemic to members from April 2020, and that there has been formal scenario modelling across the lifetime of the MTFS. We confirmed that the figures in the scenarios reported to members agreed to underling workings. There is evidence that the Council's forecasts are being continually updated. The Council's previous decision to establish a budget stabilisation reserve has helped manage the current financial risks. The Council has taken early action to begin addressing the long term impact of the pandemic, reducing essential spend and setting an immediate savings requirement in 2020/21. Recognising that the pandemic demonstrates the need to maintain an appropriate level of reserves to deal with emergency pressures, the Council has agreed that the general revenue reserve balance should not drop below £2m at any point during the lifetime of the MTFS, and should return to a minimum level of £3m by the end of this period.</p> <p>We concluded that the Council now faces very significant financial pressures. Considerable uncertainty still remains over the final scale and timing of these pressures, in part depending on the extent and duration of any downturn in the wider economy, and how far permanent changes in behaviour arising from the pandemic have an impact on the Council's income streams. Further work is also required to identify and deliver the planned savings schemes, as any shortfall in delivery is likely to lead to additional calls on reserves. However, we concluded that on current forecasts the Council continues to operate within a sustainable medium term financial plan, and that in addressing the impact of the pandemic the Council has continued to demonstrate that it has an appropriate framework of financial management arrangements. We would commend the Council's processes to date in terms of addressing financial sustainability but would make it clear that further hard decisions are coming and the Council needs to continue to demonstrate its current commitment to financial sustainability into the medium term.</p> | |

A. Reports issued and fees

We confirm below our final reports issued and the fees charged for the audit and for the provision of non audit services.

Reports issued

| Report | Date issued |
|-----------------------|----------------|
| Audit Plan | January 2020 |
| Audit Findings Report | September 2020 |
| Annual Audit Letter | December 2020 |

Fees

| | Planned £ | Actual fees £ | 2018/19 fees £ |
|-------------------|---------------|------------------|-------------------|
| Statutory audit | 42,748 | 57,160 | 40,448 |
| Total fees | 42,748 | 57,160 | 40,448 |

Fees for non-audit services

| | Planned £ | Actual fees £ | 2018/19 fees £ |
|--|---------------|------------------|-------------------|
| Audit related services | 12,000 | TBC | 18,420 |
| Certification of Housing Benefit Subsidy claim | | | |
| Non-Audit related services | | | |
| - None | | | |
| Total fees for non-audit services | 12,000 | TBC | 18,420 |

Non- audit services

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Council. The table summarises all non-audit services which were identified.

We have considered whether non-audit services might be perceived as a threat to our independence as the Council's auditor and have ensured that appropriate safeguards are put in place.

The non-audit services identified are consistent with the Council's policy on the allotment of non-audit work to your auditor.

Audit fee variation

As outlined in our audit plan the planned fee of £42,748 for 2019/20 was based on the assumption that the scope of our audit did not significantly change. However, for 2019/20 there are a number of areas where we have been required to perform additional work over and above that originally envisaged in our audit plan. Our final fee is set out in the table overleaf.

The proposed fee variation is subject to approval by PSAA. Additional fees relating to the Covid pandemic have been levied at all audit clients. In addition we have levied a one –off proposed additional fees in relation to the engagement of a professional valuer..

A. Reports issued and fees

| Area | Reason | Fee proposed (£) |
|--|---|------------------|
| Scale fee | | 35,248 |
| Increased depth and challenge of work | The Financial Reporting Council (FRC) has highlighted that the quality of work by all audit firms needs to improve across local government audits. This has required additional audit planning and supervision, as well as additional challenge and scepticism in areas such as estimates, financial resilience and information provided by the entity. | 2,500 |
| Pensions –valuation of net pension liabilities under International Auditing Standard (IAS) 19 | The Financial Reporting Council (FRC) has highlighted the need for improvements by all audit firms in their work on pension valuations. This has required increases in the depth of coverage and the scope of our audit challenge, with increased levels of documentation and reporting. | 1,750 |
| Property, Plant and Equipment Valuation –work of experts | The FRC has also determined that auditors need to improve the quality of work relating to the valuation of property assets. We have therefore increased the volume and scope of our work, in particular to challenge the management assumptions underpinning the valuations. | 1,750 |
| New standards / developments | The Council is required to respond effectively to new accounting standards or technical issues. Although the planned introduction from 1 April 2020 of IFRS 16 on leases was deferred, other current issues such as the government consultation on the McCloud remedy have required additional work as part of the 2019/20 accounts. | 1,500 |
| Original planned fee per Audit Plan (January 2020) | | 42,748 |
| Covid 19 | The impact of Covid 19 on the audit of the 2019/20 financial statements has been substantial. Remote working arrangements have required significantly more time to obtain sufficient, appropriate audit evidence. Additional work has also been required to; <ul style="list-style-type: none"> -review our planning risk assessment. An audit plan addendum was issued in May 2020; -review management assumptions and estimates, particularly those relating to property valuations, given the uncertainties created by the pandemic, -consider the Council's financial sustainability, which we identified as a new value for money conclusion risk in our audit plan addendum. | 6,412 |
| Use of a Grant Thornton valuer | Given the change in approach to the valuation of the Tonbridge Castle Gatehouse, and the specialist nature of the asset, we have been required to use an internal GT valuer to assess management's assumptions and the approach of the Council's external valuer. Our internal valuer has also helped assess the external valuer's approach to the valuation of the Council's leisure assets. | 8,000 |
| Total | | 57,160 |



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